The Financial Times, June 21, 1975

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NEWS SUMMARY

GENERAL

Amin still wants Minister

A reprieve for British author Dennis Hills from execution for treason still depends on a visit to Uganda by Mr. Callaghan "before the end of this week," Radio Uganda said last night.

And the shooting of Hills has been fixed for 11 a.m. Monday, the radio said. It quoted President Amin as saying the Queen's emissary, Lt.-Gen. Chandos Blair, who arrived yesterday with a Royal message, would be "dealing with defence matters only as guests of the Uganda government."

President Amin then took off by helicopter for northern Uganda to celebrate African Refugee Day, leaving the General to be welcomed by military officials.

The European Parliament in Strasbourg yesterday appealed to Amin for clemency and in Addis Ababa diplomats spoke of growing reluctance among African Heads of State to hold the OAU summit next month in Kampala.

Crash express 'doing 80 mph'

The night sleeper express in which six people were killed in a Nuneaton station crash on June 6 was doing 80 mph in a 20 mph speed zone, the *public inquiry* was told by the driver yesterday. And a rail inspector said one of *the lights which should* have alerted him to a temporary speed restriction was not working. A *report is expected in six to nine* months.

Labour's debt

The Labour Party is in debt and needs a major rescue operation. This was the burden of general secretary Ron Hayward's message to the national executive yesterday. Staff reductions may come, he warned, in a situation in which the general fund deficit of £264,000 this year is expected to reach £719,000 by 1977. A crisis meeting will be held on Wednesday. Page 13

New weapons

The Syrians are feeling more confidence about their ability to *throw back an* Israeli pre-emptive strike after the arrival of what is described as a "new *generation*" of Russian weapons.

And a softer line has emerged in their talks in the U.S. Page 9

Sell-out

To-day's Prudential World Cup final at Lord's, between Australia and West Indies is a sell-out, bringing expected gate receipts for the *series to £200,000.* Page 9

People, places

DOUBLE RAPIST Patrick Moying, 18, walked free from the Old Bailey yesterday with a six-month suspended sentence. "There is," said Justice Christmas Humphreys, "far too much rape at the moment by people of all classes. . ." But prison for Moying was not necessary.

BULGING BELLIES, backache, tummy trouble and poor circulation result from slumping in chairs to watch TV, says the British Naturopathic and Osteopathic Association. And cases are likely to be more *prevalent this year* among economically blighted stay-at-homes.

ARGENTINE-*based* multi-national Bunge and Born paid a record $60m. ransom to urban guerillas for *release* of two of its executives. Page 9

A ROMAN Catholic youth was shot dead in the Oldpark area of Belfast last night and two other Catholics were injured in assassination attempts.

ASTHMA sufferers in 11 counties were urged to stay home yesterday after a record pollen count over a 50-mile radius round Derby of 678.

PRINCE CHARLES will speak in Wednesday's Lords voluntary service debate.

POST-WAR CREDITS amounting to £50m. remain unclaimed.

BUSINESS

Equities higher: Wall St. up 10.0

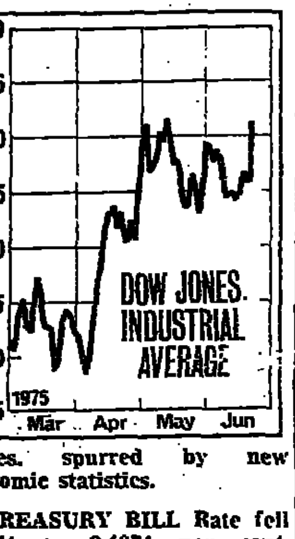
● **EQUITIES** advanced on news *that the NUR General Secretary* was recommending acceptance of the Railway Board's latest pay offer. FT 30-Share Index ended 5.2 higher at 333.8, a loss on the week of 6.8. Average daily bargains for the week at 5,327 were the lowest for some time. Gold Mines Index fell 1.8 to 381.9.

● **GILTS** shorts improved slightly, mediums and longs held steady. Government Securities Index rose 0.04 to 58.16.

● **GOLD** was unchanged at $162¾. Reduced demand for Krugerrand is reflected in May legal-tender gold coin imports of £3.9m. (monthly average this year £19.9m.). Imports from South Africa were £2.1m. (£14.3m.).

● **STERLING** was unchanged at $2.2740. Weighted depreciation was again 26.3 per cent. Dollar's was 6.73 (6.72).

● **WALL STREET** was up 10.09 at *855.44 on 26.26m. (21.45m.)* shares, spurred by new economic statistics.



● **TREASURY BILL** Rate fell 0.0074 to 9.4074 per cent. Minimum lending rate continued unchanged at 10 per cent.

● **RECORD** total of £350m. of Treasury bills is to be offered to the market at next Friday's tender. Page 13

● **DECLINE** of company profits' share in total U.K. domestic income continued in the first quarter, gross domestic product preliminary figures show. Page 13

NVT short-time working fears

● **PLANS** for short-time working and possible redundancy at Norton Villiers Triumph's two motor-cycle plants in Birmingham and Coventry are expected to be disclosed next week. Back Page

● **PILKINGTON** glass company manual workers voted 2 to 1 to *accept a pay offer which will* raise basic rates by up to 35 per cent. above levels a year ago. Page 13

● **NGA** members on provincial newspapers and in general printing voted narrowly in favour of accepting a 32.5 per cent. pay offer, in a second ballot. Page 13

● **BARING BROTHERS** and J. Henry Schroder Wagg have been brought in, with Bank of England encouragement, to advise Haw Par Brothers International after the City Take-over Panel's call for it to bid for London Tin Corporation. Back Page

COMPANIES

● **DIMPLEX** Industries incurred a pre-tax loss of £684,951 in the year to March 31, against £1.01m. profit the previous year. Page 14

● **HENLYS** motor agents first-*half group pre-tax* profit decreased by 35 per cent. to £693,000 (£1.08m.) on turnover of £59.7m. (£57.7m.). Page 14

CHIEF PRICE CHANGES YESTERDAY

(Prices in pence unless otherwise indicated)

RISES		
Funding 5¼% 1978-80 £80¾		+ ¼
Argyle Secs.	49	+ 6
Bensford (S. & W.)	165	+ 5
Courtaulds	128	+ 5
Debenhams	76	+ 4
Distillers	143	+ 7
EMI	183	+ 5
FMC	78	+ 7
Gunn (A.)	60	+ 4
GKN	245	+ 7
Hambros Bank	161	+ 11
Johnson Matthey	290	+ 18
Land Secs.	183	+ 6
Lloyds Bank	253	+ 8
Maidenhead Inv.	23	+ 3
Marchwiel	87½	+ 3½
Marshall Cavendish	18½	+ 3½
Midland Bank	273	+ 8
Monk (A.)	30	+ 7
Pilkington	206	+ 6
Racal Elec.	268	+ 8
RTD Grp.	48	+ 6
Sunley (B.)	150	+ 5
Tavener Rutledge	65	+ 7
Taylor Woodrow	306	+ 8
Town & Comm. Prop.	18	+ 2½
Shell Transport	319	+ 6
Bishopsgate Plat.	110	+ 6
Botswana RST	98	+ 20
Charterhall	59	+ 4½
Pot. Plats.	226	+ 6
Sabina Inds.	89	+ 4
FALLS		
Edworks (1930)	80	− 15
Lyons (J.) "A"	172	− 4
Smith (W H) "A"	376	− 8
Durban Deep	960	− 40
S A Land	545	− 25
Selection Tst.	590	− 15
Southern Kinta	125	− 7
West Rand Cons.	320	− 20

Rail Board's 30% pay offer accepted

NUR decides to lift rail strike threat

BY ROY ROGERS, LABOUR CORRESPONDENT

THE THREAT of a national strike which would have shut down the entire rail system from to-morrow night was lifted yesterday when, after day-long *negotiations with British Rail,* the executive of the National Union of Railwaymen unani*mously accepted a pay offer* worth more than 30 per cent. for 175,000 railwaymen, by August 4.

As well as *removing a major* threat to the nation's economy, settlement of the rail dispute will help clear the way for Ministers, the TUC and the CBI to concentrate on agreeing a new pay strategy in time for the autumn start of the new annual wage round.

A settlement for local government officers on the 25 per cent. offer made to them yesterday would signal the end of the public sector pay round, *leaving* merchant navy seamen and ICI workers as the only major private *sector groups still to* settle.

Despite their obvious relief at *averting the rail strike,* both the Government and Mr. Richard Marsh, the BR chairman, pointed out last night that the £9.3m. added to the previous £77.5m. awarded by the industry's tribunal would have to be found within the industry. This could put some jobs and BR services in jeopardy.

A Government spokesman said Ministers would have preferred a settlement nearer the arbitration award and stressed that the higher cost of the deal would mean "a bigger impact on *employment and fares in the* industry."

Mr. Marsh, however, denied that the deal would affect fares, as further substantial increases "to the limit the market can take" were already planned for *later this year. He warned that* all ways of reducing expenditure would be explored and this involve close monitoring of recruitment.

He described the rail deal as "very high" and felt it could only be justified in the light of other recent public sector settlements.

Yesterday's events began at BR's Marylebone headquarters in London, where talks resumed on counter proposals put the previous evening by the unions. Framed largely by the NUR, which *alone* of the three *rail* unions had rejected the tribunal award, these involved introduc*ing a second stage increase in* addition to the award and payable some time after the April 28 annual pay date. This was to include all round percentage increases plus temporary allowances for lower paid railmen on £36 or less a week.

This formula removed a difficult hurdle, as the Associated Society of Locomotive Engineers and Firemen and the Transport Salaried Staffs' Association had made it clear they would want a share in any new money to protect their differentials.

Cabinet talks

The Cabinet yesterday discussed medium-term strategy at a five-hour Chequers meeting. They also considered contingency plans for curbing *inflation* if CBI-TUC talks break down Back Page

Man of the week, Back Page

Emotive

Much of yesterday's negotiation was concerned with the juggling of dates for the second stage so that the cost of the entire agreement, when looked at in terms of the addition to the Board's annual wage bill, would be below the emotive 30 per cent. level breached by other recent public sector deals.

What eventually emerged was a 29.8 per cent. package almost identical to the NUR proposals.

The offer allows for the 27.5 per cent. arbitration award on basic rates to be paid backdated to April 28. In addition, all rates will be improved by another 2.5 per cent. from August 4, when additional allowances of between 5p and £1.30 *a week will also be introduced* for the lower-paid—those on or below £36.

The guaranteed minimum earnings level of £36.70 a week suggested by the tribunal will operate until the allowances come in on August 4, but equal pay for women, which was to have been implemented immediately, will now be deferred until the end of the year.

The main selling point of the *fresh* offers is that *from August* the minimum wage for the lowest-paid railman will be £34.65, a *figure the NUR has held out for* because it maintains the railman's differential with the surface coal-miner.

This jump in the railman's current basic rate of £25.65 is made up of £4.40 cost of living threshold rises already being paid which, with an additional £2.65, (27.5 per cent.) from April. On top of this there will be an extra 65p (2.5 per cent.) from August, plus an allowance of £1.30, also from August.

Drivers currently on £46.05, including thresholds, move on to £53.10 now, and £54.15 in August, while the top signalman moves from £52.40 to £61.20 now and £62.40 in August.

State to help Rolls develop RB-211 jet

BY LORNE BARLING

THE BRITISH aero-engine *industry was given a major* boost yesterday by a Government decision to support further development of the successful Rolls-Royce RB-211 jet for use in Boeing 747 airliners. This could generate export sales of up to £400m.

The long-awaited announcement, which commits the Government to contribute about £12m. to help develop the RB-211-524 engine, was made in the Com*mons by Mr. Eric Varley,* Secretary for Industry.

It was immediately welcomed by State-owned Rolls-Royce (1971) and British Airways, which said it would order four 747s powered by the engine for delivery in 1977 and 1978.

It is estimated that about 150 Rolls-Royce powered Jumbo-jets will be sold by 1980, providing vital orders for the company when work on RB-211 engines for the Lockheed TriStar tails off.

Mr. Varley said: "The Govern*ment contribution towards the* cost will begin as soon as contractual details are completed and British Airways place their proposed order.

"The Government will contribute as launching aid about half the costs of this programme to use the engine in the Boeing 747 at 50,000 lbs thrust. The contribution is recoverable by a levy on engine sales."

He added that since it might be necessary to develop the thrust level of the engine for some applications, he had agreed in principle to further Government support to achieve 53,000 lbs thrust.

The engine is already under development for the longer-range version of the TriStar but the Government had declined to offer further aid until another airline, apart from British Airways, had ordered the Rolls-Royce powered version.

Only after a number of deadlines had been set and extended *by Boeing did Mr. Varley act,* and although no other firm orders have been received, three *major airlines are known to be* interested.

So far the RB-211, the development of which was largely responsible for the bankruptcy of Rolls-Royce and the Government's intervention, has earned Britain about £300m. in exports.

Rolls-Royce said: "We are delighted that the Government has decided to support this more powerful version of the engine. The decision enhances its future and the *employment* dependent upon it.

"There is no doubt in our mind that Boeing 747s will continue as one of the important aircraft in long-haul air transport for the remainder of this century," it said. The application of the engine in TriStar was seen as complementary.

Production-standard engines for the 747 are scheduled for delivery early next year to permit certification, a major cost to which the U.K. Government will contribute about half. Entry *into service is expected* about a year later.

Rolls-Royce believes that air*craft powered by the engine will* be cheaper to operate, use less fuel and will be quieter than *other engines.*

British Airways added that it was operating 17 Jumbos at present and would receive its 18th, British powered, in April 1977. It was likely that orders would exceed three in the longer term.

£ in New York

—	June 20	Previous
Spot	$2.2731-2.2741	$2.2730-2735
1 month	0.76-0.71 dis	0.73-0.62 dis
3 months	2.48-2.43 dis	2.40-2.35 dis
12 months	10.40-10.30 dis	10.30-10.20 dis

Council staff expected to agree on a 25% deal

BY LORELIES OLSLAGER

A 25 per cent. pay deal was provisionally agreed for nearly 500,000 white collar workers in local government yesterday—one of the lowest settlements reached in the public sector recently.

The deal, which is in line with the social contract and includes *consolidation of existing threshhold* pay, will now be put to union members for approval.

The *unions had initially asked* for a 35 per cent. rise from May 1, and the National and Local *Government Officers Association,* the biggest union involved, had threatened strike action in *support of the claim.*

But its leaders are "reluctantly" recommending acceptance *of the deal. They argue* that their members will prefer money in their pockets now to *waiting for a bigger offer which* could take a long time to extract.

The 25 per cent. increase, which will come into effect on July 1, is in line with the rise of the Retail Price Index over the latest 12 months period. The employers had initially offered 21.7 per cent. in line with the April-to-April movement of the index.

The *481,000 local government* white collar workers are among the last groups in the public sector to conclude a pay deal this year. The only large group still outstanding are some 80,000 manual workers in the British Steel Corporation, who are seeking rises of 30 per cent. and more.

But the tentative local authority settlement, *now goes to NALGO's membership, which* proved itself extremely militant at the union's annual conference recently. *The conference in*structed the union leadership not to conclude a deal without first reporting back to the rank and file.

NALGO's local government committee, formed by branch representatives, will meet next *Friday to vote on the agreement.*

Under the agreement, the wage of the lowest-paid local government officer will rise from £1,119 a year now, including £127 threshold pay, to £1,215. This is a "new money" increase of just under 10 per cent. over the rate a year ago. The "new money" *element rises to more than 20* per cent. for the highest paid, whose annual salary will go up *from £6,198 (including £127* threshold) to £7,407.

Union negotiators had concen*trated on getting the best benefits* for the middle income ranges, whose pay will go up from be*tween £2,154 (including* threshold) and £3,432 to £2,529 and £4,095 respectively.

Inflation 'halved to 6%' in U.S.

By Paul Lewis, U.S. Editor

WASHINGTON, June 20.

THE RATE of price inflation in the U.S. slackened further last month, while the recently enacted tax cut produced a sharp rise in workers' take-home pay.

The Labour Department announced to-day that the cost of living index rose only 0.4 per cent. in May compared with a 0.6 per cent. rise in April. This is one of the smallest increases for two years.

Over the past 12 months, the Consumer Price Index has risen by 9.5 per cent., but for the last three months, the rate of increase has been only 5 per cent. on an annual basis.

As a result, the Administration is now claiming it has halved the rate of inflation this year to an annual 6 per cent. compared with 12 per cent. last year.

FEATURES

ON OTHER PAGES

For latest Share Index 'phone 01-246 8026

AEG-Telefunken makes rights issue after big 1974 loss

BY GUY HAWTIN

FRANKFURT, June 20.

AEG-TELEFUNKEN — one of West Germany's biggest companies and its second largest employer—to-day revealed that last year's loss exceeded even the most gloomy predictions. At the same time, it made the surprise announcement of a rights issue aimed at raising DM316m., or at current exchange rates, close on £60m.

A terse communique from *AEG's supervisory Board stated* that figures for 1974 showed a loss of DM684m. (just under *£130m.). This is some DM84m.* (nearly £16m.) more than the highest estimates made by analysts here who believed that the total might lie between DM400m. and DM600m. (£75m. and £113m.).

The AEG supervisory Board explained that the figures reflected provisions made for losses in the concern's atomic energy business. Reserves had been hit to the tune of DM439m. (£82.7m.) and *despite this there* was a balance sheet loss of DM245m. (just over £46m.).

AEG's statement went on to disclose that the annual meeting would ask for approval of an increase in *nominal capital from* the current DM704.1m. (£132.6m.) to DM929.8m. (£175.1m.). *This would be carried* out by means of a rights issue at the ratio of three to 10; and at a price of DM70 per DM50 nominal share, the issue would yield DM316m.

Left to normal market forces, it would not be unfair to forecast that the issue would flop. The only reason it can be confidently expected to achieve its *DM316m. target is that a con*sortium of 25 German banks—led by the Dresdner and backed *by the Deutsche Bank, the BHF* Bank and the Commerzbank—have taken the unprecedented *step of underwriting the issue* and guaranteeing to pick up those shares unwanted by discriminating shareholders at the full DM70 per share.

This rights issue could not have come at a more inauspicious time and reflects the severe liquidity shortage the electrical giant is facing. At a premium of only DM20, or 40 per cent., it is—in German terms—very expensive money. And presumably, this course has only been adopted because more attractive avenues have been *closed. The Bonn Government* has told AEG in no uncertain terms that it could expect no *Federal help.*

Despite the depressing news, AEG shares strengthened to-day *on the Frankfurt Bourse. At* mid-day they were trading at DM73, some 20 phennig up on last night's close. However, analysts here believe that the shares are grossly over-priced as there has been a wave of speculation here—which brought them to an early March high of DM90—since they plumbed a nadir of DM2 under par at the end of last year.

AEG's current problems stem from its operation in the nuclear *energy field and its participa*tion with Siemens in KraftWerk Union, the country's major *power station builder.* AEG has for some time been negotiating with its partner to sell out its *KWU interests, leaving Siemens* with what amounts to a monopoly in the field.

Since the arrival of its new supervisory Board Chairman, Herr Juergen Ponto, chief executive of the Dresdner Bank, AEG has appeared to have cooled on selling its KWU participation. At the same time, talks are believed to have bogged down on the question of responsibility for the risks on nuclear contracts.

Siemens, it seems, is unwilling to assume the risks, while for AEG the sale of its KWU partici*pation without divesting itself of* the risks could only be an act of desperation. It would face con*tinuing losses with no prospect* of eventual profit.

L & G seeks to raise £23.8m.

BY NICHOLAS LESLIE

LEGAL AND GENERAL Assur*ance Society yesterday* became the latest insurance group to seek to widen its equity base with the announcement of a rights issue to raise some £23.8m.

L & G, probably the second largest life assurance group in the U.K. and with a very big pensions business, is asking shareholders for further cash in order to strengthen further the solvency margins in relation to its general insurance business, which has expanded rapidly in recent years.

The basis of the issue is one new share at 103p for every five shares already held, involving the isue of a total 24m. shares. Approval of a necessary increase in the authorised share capital from £7m. to £10m. will be required at an extraordinary meeting to be held on July 9. L and G's shares closed unchanged at 130p.

The need for the issue, as explained by L and G chairman, Lord Harcourt, in a letter to shareholders, stems from a rapid 241 per cent. rise in general insurance business premium income from £17.7m. to £60.3m. between 1969 and 1974. While due to the Society's success "in increasing its share of the expanding general insurance business market," there has also been a large element of inflation in the figures.

The week in London and New York

Market activity at a low ebb

The rail talks have hung over the market like a storm cloud this week bringing activity in both gilts and equities to a virtual standstill. On Thursday dealing volume in equities dropped to the levels of January 2, with bargains marked notching up just 4,500. On the week th e30-Share Index is 6.8 points lower at 333.8.

Over the past couple of days the leaders have managed some modest recovery, but sterling has turned in another depressing performance ending the week with a trade weighted depreciation of 26.3 per cent., against an all-time low of 26.7 per cent. at one time on Tuesday. Yet this lull in general activity has by no means infected the rights issue queue. Most of this week's offerings have been relatively minor but Legal and General showed yesterday that the bigger companies are still willing to test the water.

TOP PERFORMING SECTORS IN FOUR WEEKS FROM MAY 22

	% Rise
Banks	+ 5.0
Oils	+ 4.8
Electronics, Radio & TV	+ 2.4
	% Fall
Discount Houses	− 0.5
Newspapers, Publishing	− 2.1
Chemicals	− 2.2

THE WORST PERFORMERS

	% Fall
All-Share Index	− 4.1
Insurance (Life)	− 8.6
Hire Purchase	− 8.8
Shipping	− 9.4
Packaging & Paper	− 9.5
Machine & Other Tools	−11.1
Property	−13.8

Some relief at Landsits

Although still at the bottom of our four-week performance table, the property sector has looked in rather better shape this week—rising slightly against the market trend. The main reason has been relief at the result of Land Securities' revaluation, though this might seem rather curious since the revaluation wiped £256m.—or 24 per cent.—off the value of the group's completed properties. This has cut the fully diluted asset value per share from 344p to 284p, and there is an even bigger drop from the 513p indicated in the November 1973 valuation, which was set aside last year. Yet there had been fears that the fall in net *worth might have been even* larger, so the statement has acted as a steadying influence on the sector.

The significance of the revaluation has, however, been queried—partly by those who have doubted whether there was sufficient evidence to justify a full valuation on March 31. Although no official indication has been given, a yield basis of around 8 per cent. was probably used for top-quality investments: rates have dropped by around three-quarters a point since then—offset to some extent by falling rents. There are also questions *about Land Securities' decision* to include developments at cost—in contrast to the Chartered Surveyors recommended *policy of including them at* market value.

A more fundamental criticism is over the usefulness of asset values generally—on the view that the net worth is a less important indicator of the group's position than projections of future flows of income based on current rents and the reversionary pattern. A greater emphasis on the income position of property companies is certainly likely in future given *that many of the majors are* becoming investment rather than development companies.

Production lessons from Guinness

Midway through the brewery reporting season, the results seem to be as varied as ever. This week, interim pre-tax profits at Guinness rose by £0.9m. to £10.1m. thanks largely to a good level of volume in Ireland and a buoyant performance overseas. In the U.K. the group has faced declining volume as customers trade down from its premium priced stout. However, the results do suggest that the sector's margin pressure in beer production may be over and that the squeeze is now shifting to the retailing end, for Guinness has virtually no tied outlets.

By *comparison, Whitbread's* second half pre-tax profits fall of nearly 6 per cent., for a £4.7m. drop to £21.5m. overall, was on the back of an above average volume growth in the U.K. The company also confirmed this week that it was considering a bid for Long John International, 75 per cent. owned by Rapid-American.

LJI is a successful independent integrated distiller and blender, has high overseas earnings (about 70 per cent. of operating profits last year), is a brand leader in some European markets and represents an opportunity for Whitbread to boost its below-average stake in wines and spirits (about 15 per cent. of sales at present against some two-fifths at Allied Breweries). But how this acquisition, reckoned to be worth at least £16m. or 200p per share, is to be financed is not yet clear, although Whitbread's £115m. property revaluation, which at *a stroke* sharply reduced the nominal gearing (net borrowings amount to one-half of shareholders funds) may lower the odds on a rights issue.

Bid curiosities

There have been further developments this week in the two curious triangular bid situations. Under the takeover code Thorn Electrical is obliged to increase its offer for Sheffield Twist to 91p a share following purchases in the market at this level; as yet there has been no countermove from SKF to upgrade its initial offer of 77½p. In the other three-cornered battle Myson has increased its cash offer for Sealed Motor from 44p to 49p, against the Adwest offer of 40p nominal of Convertible stock.

Since *SKF* already owns or has been promised some 38 per cent. of the Sheffield equity (Thorn has about 13 per cent.) *it would be logical to expect* the Swedish group at least to match the Thorn offer — particularly since the biddee prefers a link with *SKF*. The lack of any response from this quarter leaves the Sheffield share price just above the worth of the Thorn offer. Shareholders are obviously losing little as they wait for developments.

Sealed Motor's shares, however, remain a tenth below the higher Myson offer at 43½p. The market is clearly taking notice of the biddee's arguments in favour of the Adwest offer.

Clouds lifting for food retailers

The strain of margin controls in the food retailing sector showed up vividly this week. Tesco's 1974-75 profits were marginally lower against pre-tax growth of a fifth on average over the past five years, while at Cavenham—which is roughly half retailer and half manufacturer—profits in the U.K. last year fell 20 per cent. to just over a third of the group total.

Overall, Cavenham's pre-tax returns are 15 per cent. lower *on a crudely comparable basis.*

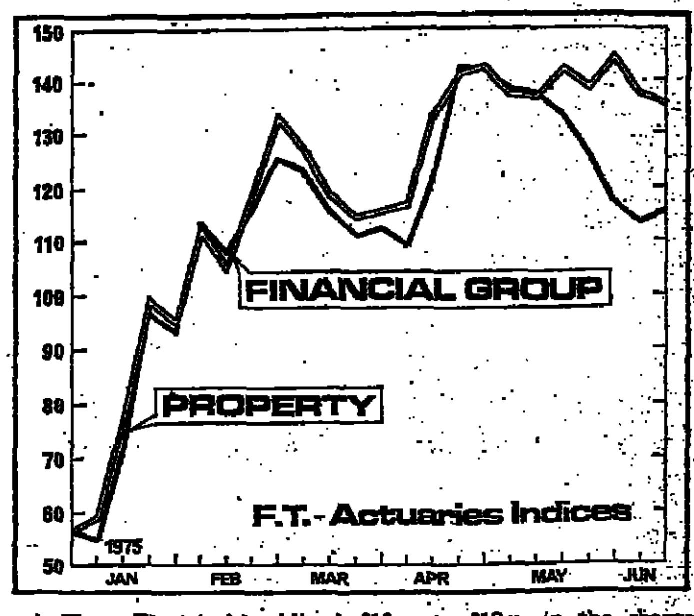
But this is after a jump from £10m. to £18m. in the charge for depreciation and £9m. of write-offs against profits from Grand Union, the major U.S. acquisition which came in for its first full year in 1974-75. This year Cavenham expects a significant increase in earnings; France (animal feeds and meat) is rapidly recovering and retailing in the U.K. is having an easier run. But clearly the U.S. is the major influence behind Cavenham's optimism for Grand Union has now completed the bulk of its costly write-offs.

Tesco's 1974-75 performance takes in slight gains for the final 28 weeks of the year. The group is obviously coming to terms with its margin pressures and with selling space expanding by a tenth this year a generally smoother earnings performance can be expected. But the shares have still fallen faster than the market over the past couple of weeks.

Burmah Action Group

The Burmah Oil shareholders Action Group got short shrift from the Government on Wednesday when a deputation went along to see the Paymaster General. But the fight for a new deal on the issue of Burmah's former 21½ per cent. stake in BP is to continue nonetheless. The Bank of England took up *Burmah's BP holding last year* for £179m.; it is worth £410m. at present market prices and the Burmah shareholders (and its managment) are claiming the right to a renegotiation. The Action Group's next move is to be the formation of an independent tribunal. This will consist of a committee of three members, two of which have already agreed to sit.

Onlooker



MARKET HIGHLIGHTS OF THE WEEK

	Price Y'day	Change on Week	1974/5 High	1974/5 Low	
F.T. Ind. Ord. Index	333.8	− 6.8	365.3	146.0	Nervous ahead of rail decision.
Avon Rubber	32	−23	85	28	Interim div. omision and loss.
Brit. & Comwlth. Shipng.	169	+13	205	82	Satisfactory results.
British Petroleum	532	+17	535	190	Small investment demand.
Doncaster (Daniel)	45	+ 6	51½	20	Second-half recovery.
Francis Industries	23	− 4	30	10	Merger with Eva Inds. off.
Great Boulder	80	+10	85	36	W. Mining take-over terms.
Guinness (A.)	119	+ 9	121	58	Impresive interim results.
Land Securities	183	+10	251	79½	Results and prop. revaluation.
Long John International	170	+28	178	53	Hopes of bid from Whitbread.
Lovell (G. F.)	17	+ 8	18	8	Bid from Hills London Shops.
Lyons (J.) "A"	172	+10	178	52	Good preliminary figures.
Marchwiel	87½	+13½	101	24	Investment demand.
Marks and Spencer	218	+ 9	256	95	Small demand.
Poseidon	350	−65	540	350	"Rights" issue news.
Prince of Wales Hotel	40	− 9	49	27	Trading loss.
Record Ridgway	37	+ 7	37	15½	Vastly improved interim figures.
Selection Trust	590	−75	69.5	322	Agnew nickel prospect deferred.
Swan Hunter	67	− 7	113	57	Stale-bull liquidation.
Weyburn Eng.	220	+25	224	62	First-half profits upsurge.

Poised for rise

BY JAY PALMER

NEW YORK, June 20.

EVERY WEEKDAY morning the Wall Street Journal publishes on page one, column four, a small chart of one or other of the U.S. economic indicators. In recent weeks, they have all (with only a very few exceptions) been bullish—at least to some degree.

Retail sales and new housing starts are moving higher, small business failures have peaked out and new business incorporations are rising.

What is more, the whole host of different small and large business sector output figures appear to be again going higher.

These figures can, of course, be found out by anyone. Nevertheless this daily *stream* of pictorial optimism serves to reinforce Wall Street's firmly entrenched belief that the long-awaited business upturn has actually started. But, except for a small matter of exact timing, this has never been in doubt. Worries continue to exist on two particular points—the danger of ravenous inflation next year if this burst of economic stimulus proves too great and the still real possibility that equities (way up on end-1974 levels) may have already discounted the upturn.

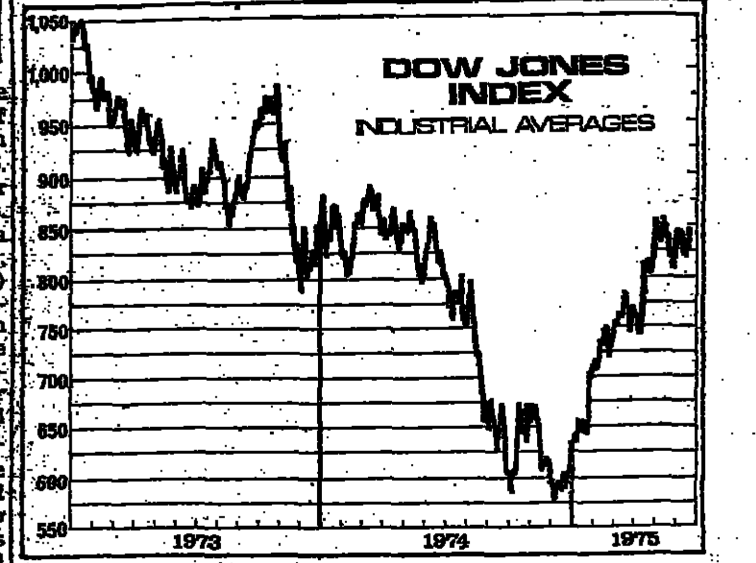
The "end-of-the-world-is-nigh" club, which up to a few months back was still gaining supporters for projections that the Dow index would fall sharply back, is now steadily losing ground. While some still project a modest technical reaction (possibly back to as low as 790), most accept that the market will mark time until the upturn really gains steam and then take off.

Supporters of the argument that Wall Street has over-discounted the upturn received a fresh blow this week when Interactive Data Corporation, under contract to an American business magazine, produced statistics defining the real truth about this "bull" market. The Dow Jones industrial index, Wall Street's best-known market *indicator, was briefly a few* weeks back 27 per cent. up on its December, 1973, high. It is still about 20 per cent. down on its all time peak of January, 1973, and about 15 per cent. down on its 1968 levels.

More widely based market indicators tell a story which, by any arguments, leaves the market more room for growth. Since 1968 (the time when most purists insist that Wall Street's bear *slide started), composite widely* based indices have fallen some 60 per cent. even after the recent six month rally. Over these *seven years, only* 200 of some 1,800 New York Stock Exchange stocks have risen and these are mostly the so-called institutional glamour stocks. The remaining *1,600 stocks are all down.*

Despite the expected gloomy news of the first quarter 1975 sharp drop in corporate earnings, the market managed to spurt ahead yesterday in one of its best daily rallies of this year. The gain, largely stemming from increasing optimism in New York's sister bond markets that approaching Treasury financing will not hurt corporate fundability, more than made up small losses earlier in the week.

One especially optimistic sign in the money market was the success of the Manufacturers Hanover Bank debt issues. Regarded as bellwether issues for the banking sector as a whole, the success opens the way for a stream of other bank issues and should *go a long way* to avert any danger of the banking industry being unable to finance the economic upturn.



DOW JONES INDUSTRIES

	CLOSE	CHANGE
MON.	834.56	+10.09
TUES.	828.61	− 5.95
WED.	827.83	− 0.78
THURS.	845.35	+17.52

MINES IN THE NEWS

The ice-man cometh

BY KENNETH MARSTON

INFLATION IS a cold, ruthless killer *of jobs* and it might not be a bad idea for a warning to this effect to be printed on the side of pay packets. But *warnings are not heeded while* the money still comes rolling in, even those couched in such dramatic prose as the Cornish *Mining Development* Association's comment that industries "could be swept away in a tidal wave of financial ruin."

Strong stuff. So too has been Mr. Sidney Spiro's statement with the Charter Consolidated annual report that if inflation continues unchecked, "unemployment will rise, standards of living must fall and our whole industrial and economic structure will be imperilled." And this week the ice-man has struck in Australia.

On the shelf

The potentially sizeable Agnew nickel mining proposition there of London's Selection Trust group and Australia's MIM Holdings is to be put on the shelf. Previously it had been fairly confidently expected that a mining go-ahead decision would be taken by now for the deposit which, after all, has been shown to contain a good 45m. tonnes of ore with a reasonable average grade of just over 2 per cent. nickel.

But whereas the cost of taking Agnew to production had been earlier put at $200m. (£118m.), Australia's galloping inflation has added nearly $100m. in the past two years. This, coupled with the depressed market for nickel, means that "the financial viability of the project has not been established" and the partners "have had to defer taking a decision to proceed, but the position will be kept *under constant review.*"

Meanwhile, further drilling results have come from Selection *Trust's* so far promising copper-zinc-silver deposit at Brouillan in north-western Quebec. They indicate that zone A1, which *lies within* a more extensive zone of mineralisation, contains some 35.4m. short tons of ore averaging 0.39 per cent. copper, 2.3 per cent. zinc, 1.04 ounces of silver and just under 0.2 dwts gold per ton.

While there appears to be plenty of ore at the prospect—which is now to be known as Detour—the metal grades are low. Hopes are that the deposit may prove to be commercially extractable when worked as an open-pit proposition. But much depends on cost-inflation being kept at bay. Incidentally Selection Trusts results are due at the end of this month.

Poseidon issue

The heavy foot of inflation is *also treading close behind the* Windarra nickel operation in Western Australia which is run by the **Poseidon-Western Mining** *partnership. Announcing that it* expects a loss of about $3m. (£1.76m.) for the financial year that runs to the end of this *month,* Poseidon coolly adds that it proposes to make a $5.6m. (£3.28m.) rights issue.

Shareholders registered on *July 8 are to be offered new* shares at $1.50 on a one-for-one basis. U.K. shareholders would have to pay the investment *dollar premium and so the cost* of the shares to them would be about 171p which compares with the current London cum-premium price of 350p.

In view of the still-depressed market for nickel, one can hardly get excited about a rights *issue being made by a company* which is already losing money. However, the price of the new shares is well below the market level and the more philosophic investors may take the view that an investment in the future of this still reasonable mineral deposit is better than holding depreciating money in the bank.

Although Western Mining has a 50 per cent. stake in the Windarra mine, the company is not a major holders of Poseidon shares and so it will not be required to put up large funds for the latter's issue. Western Mining is, however, offering shares on a one-for-two basis for the 57 per cent. of the Great Boulder capital which it does not already own.

Charter's hope

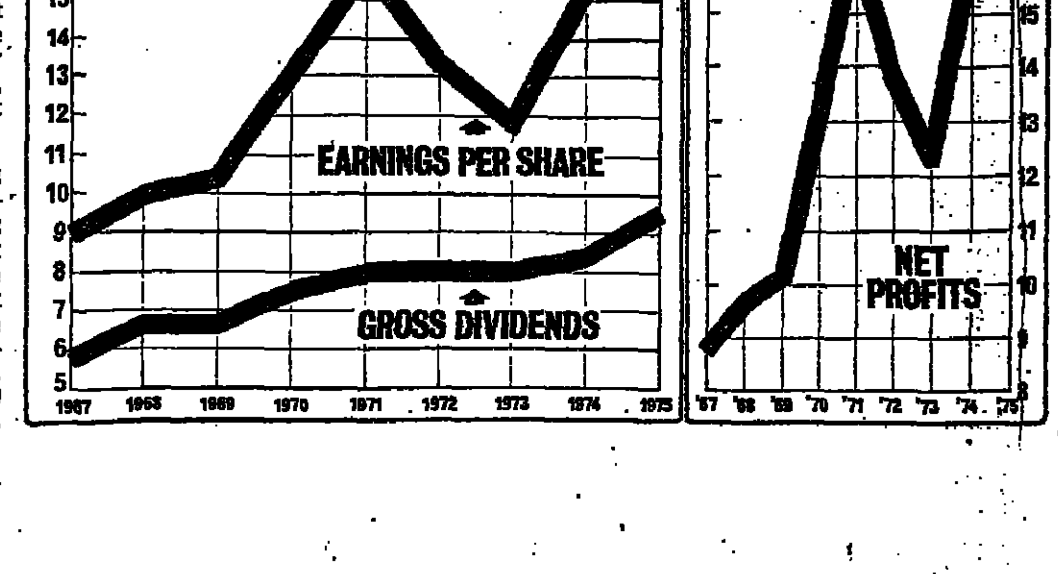
Charter Consolidated did better than most people expected *last year with a rise* of some one-third in investment income which was reflected in net profits of £17.2m., compared *with £15.9m., and the full U.K.-* permitted rise in dividend. Despite the anticipated fall in copper earnings Mr. Sidney *Spiro reckons that the group* will be able to maintain profits in the current year to next March.

The strength of Charter lies in its diversification of overseas income and its major investments in the other mining *finance houses coupled with the* close relationship with Anglo American Corporation. It is also better placed to face the future now that it has unburdened itself—at a cost of £11.4m. from reserves last year—of the investment in the ill-fated Mauritanian copper venture.

But the group still needs to pull something out of the bag to enliven its investment standing. So hopes are being pinned on the 14 per cent. stake in the big $660m. (£290m.) Tenke-Fungurume copper project in Zaire. The earliest production date is put at the second quarter of 1978 when it is generally expected that the price of copper will be far higher than it is now.

Production costs will no doubt also be much higher, but Tenke-Fungurume is fortunate in having a high ore grade of 5.7 per cent. copper and with an annual production target of 130,000 tonnes of refined copper it is one of the few major new projects going ahead at this time.

The Zaire Government has settled for a 60 per cent. stake in the profits, which is reasonable enough, and Charter reckons to be able to provide from internal sources its $45m. (£19.8m.) share of the current *financing. Charter may thus be* entering a more prosperous era, but the company's fortunes are not going to change for the *better overnight.*



TV/Radio

† Indicates programme in black and white

BBC 1

9.00 a.m. Teddy Edward. 9.05 The Mister Men. 9.15 Lassie's Rescue Rangers. 9.35 Champion for the King. †10.00 Wedding *Yells (comedy). 10.20* Camp Runamuck. 10.45 Week-end Weather.

10.50 Grandstand: 10.50 a.m., 1.40 p.m., 2.10, 2.35, 3.05 Cricket: Prudential Cup Final; 1.05 Rugby Union: New Zealand v. Scotland; Rugby League: Australia v. Wales, plus interview with Jimmy Connors. 3.05 Tennis from Nottingham: The John Player Tournament; 4.45 Athletics from Dresden: East Germany v. Great Britain; 5.00 Final Score including racing results and cricket scoreboard. 5.05 Tom and Jerry.

5.10 News.
†5.20 Sport/Regional News.
5.25 Sing A Song of Emu.
5.55 Jim'll Fix It.
6.30 Saturday Night At The Movies: "The Bargee," *starring Harry H. Corbett.*
8.15 The Black And White Minstrel Show.
9.00 Cannon.
9.50 News.
10.00 That's Life.
10.40 Moira, starring Moira Anderson.
11.10 Eleventh Hour.
11.40 Grandstand Special featuring Cricket: Prudential World Cup Final, highlights, and Athletics: East Germany v. Great Britain, highlights.

All *Regions as* BBC-1 *except at* the following times:—

Scotland—Between 10.50 a.m.-5.05 p.m. Swimming: SASA Long Course Championships. †12.40 a.m. Scottish News Summary.

Northern Ireland—5.20-5.25 p.m. Northern Ireland News and Sport. 12.40 a.m. Nothern Ireland News Headlines.

BBC 2

†7.40 a.m. to 1.30 p.m. Open University.
†3.00 Saturday Cinema: "Sparrows Can't Sing," starring James Booth and Barbara Windsor.
4.30 Cricket: Prudential Cup Final from Lord's.
6.55 Westminster.
7.25 News and Sport.
7.40 Network.
8.10 Looking For Clancy, part 5.
9.00 The Tribal Eye.
9.50 2nd House 2nd Run.
11.05 News on 2.
11.10 The Old Grey Whistle Test.
11.35 Film Night.
†12.05 a.m. Midnight Movie: "My Reputation," starring Barbara Stanwyck and George Brent.

LONDON

9.00 a.m. The Unguarded Moment. 9.25 Play Guitar with Ulf Goran. 9.50 The Lone Ranger. 10.20 The Addams Family. 10.50 Junior Police Five. 11.05 Rock On *With 45. 11.35 Tarzan.*

12.30 p.m. World of Sport: 12.35 International Sports Special (part 1) Speedway—The World Best Pairs Final from *Poland; 1.10 News From ITN* followed by the Australian Pools Check; 1.20 The ITV Seven—1.30, 2.00, 2.30 and 3.00 from Ayr; 1.45, 2.15 and *2.50 from Redcar; 3.10* International Sports Special (part 2) Athletics: The 3M World Professional Championships from Crystal Palace; 4.00 Wrestling; 4.55 Results Service.

5.10 News From ITN.
5.20 New Faces.
6.20 Sale of the Century.
†6.45 *Big Adventure Film:* "The Victors," starring George Hamilton, George Peppard, Jeanne Moreau and Melina Mercouri.
8.30 News From ITN.
9.45 Seven Faces Of Woman.
10.45 The Best of Russell Harty.
11.30 The Collaborators.
12.30 a.m. Stranger in the City.

All ITV Regions as London except at the following times:—

ANGLIA

9.50 a.m. Woobinda—Animal Doctor. 10.15 The Saturday Morning Film: "The Ladies' Man" starring Jerry Lewis. 12.00 The Woody Woodpecker Show. 6.20 p.m. The Saturday Night Film: "The Master of Ballantrae" starring Errol Flynn and Roger Livesey. 8.00 Sale of the Century. 8.30 Special Branch. 9.45 The Odd Couple. 10.15 The Saturday Late Film: "On the Threshold of Space" starring Guy Madison. 12.00 At the End of the Day.

ATV MIDLANDS

9.15 a.m. Gardening Today. 9.45 Play Guitar with Ulf Goran. 10.10 Tiswas. 5.15 p.m. Tarzan. 7.00 Sale of the Century. 7.30 New Faces. 8.30 Special Branch. 9.45 Herb Alpert and the TJB. 10.45 The Late Movie: "Baby Love" starring Ann Lynn and Keith Baron.

BORDER

10.00 a.m. The Unguarded Moment. 10.25 Chess Masterpieces. 10.30 The Yellow House. 11.00 Saturday Morning Cinema: "The Purple Mask" starring Tony Curtis. 6.15 p.m. Sale of the Century. 6.45 The Saturday Film: "Journey to the Far Side of the Sun" starring Ian Hendry. 8.30 Special Branch. 9.45 Herb Alpert and TJB. †10.45 Saturday Late Film: "Monkey on My Back" starring Cameron Mitchell.

GRANADA

9.15 a.m. The Unguarded Moment. 9.40 Play Guitar. 10.10 The Wild and Wonderful World of Auto Racing. 10.35 Cartoon. 10.40 Saturday Matinee: "Ambush at Tomahawk Gap." 12.00 Shang a Lang. 6.20 Cartoon. 6.25 p.m. The Big Film: "The Gambler from Natchez," starring Dale Robertson and Debra Paget. 8.00 Sale of the Century. 8.30 Special Branch. 9.45 Frank Sinatra—The Main Event. †10.45 For Adults Only: "The Hill," starring Sean Connery and Ian Hendry.

GRAMPIAN

11.30 a.m. Aonaman. 12.00 The Tomfoolery Show. 5.20 p.m. The Saturday Movie: "Seven Golden Men," starring Rossana Posesta. 7.00 Sale of the Century. 7.30 New Faces. 8.30 Special Branch. 9.45 The Saturday Show: Herb Alpert and the TJB. 10.45 Police Story. 11.40 Evening Prayers.

CHANNEL

6.50 p.m. The Saturday Film: "Battle of the Coral Sea." 8.30 Special Branch. 9.45 The Saturday Show. 10.45 TBA. 10.50 The Korda Classics: "The Private Life of Don Juan."

HTV

9.40 a.m. Play Guitar. 10.05 Funky Phantom. 10.30 Sesame Street. 11.30 Orbit. 12.00 Zig Zag. 5.20 p.m. The Saturday Adventure Film: "Maya" starring Clint Walker. 7.00 New Faces. 8.00 Sale of the Century. 8.30 Special Branch. †9.45 The Big Film: "The Victors," starring George Hamilton and Eli Wallach.

HTV Cymru/Wales—As HTV General Service except:—8.00-8.30 p.m. Sion a Sian.

SCOTTISH

10.05 a.m. Play Guitar. 10.30 The Unguarded Moment. 11.00 Hammy Hamsters Adventures on the Riverbank. 11.35 Tales of Edgar Wallace. 5.20 p.m. Sale of the Century. 5.45 UFO. 6.45 Feature Film: "Summer of the 17th Doll" starring John Mills and Ernest Borgnine. 8.30 Special Branch. 9.45 Herb Alpert and the TJB. 10.45 Late Call. †10.50 Feature Film: "Inadmissable Evidence" starring Nicol Williamson.

SOUTHERN

9.15 a.m. Play with a Purpose. 9.40 Play Guitar. 10.10 Regional Weather Forecast. 10.13 Woody Woodpecker. 10.25 London Bridge. 10.55 Tarzan. 11.45 Rock on With 45. 12.15 p.m. Southsport. 6.45 The Saturday Film: "Last of the Renegades" starring Lex Barker and Anthony Steel. 8.30 Special Branch. 9.45 Herb Alpert and the TJB. 10.45 "The Oblong Box" starring Vincent Price and Christopher Lee. 12.20 a.m. Southern News.

TYNE TEES

10.00 a.m. The Unguarded Moment. 10.25 Dodo the Space Kid. †10.35 Saturday Morning Cinema: "Abbott and Costello Go To Mars." 12.00 Woobinda. 6.50 p.m. The Main Feature: "Lock, Stock and Barrel." 8.30 Special Branch. 9.45 Herb Alpert and the TJB. †10.45 Movie Through Midnight: "The George Raft Story" starring Ray Danton and Jayne Mansfield. 12.40 a.m. "A Time to Dance" by C. Day Lewis, read by Jane Arrowsmith.

ULSTER

11.30 a.m. Sesame Street. †6.50 p.m. Saturday Movie: "Abbott and Costello Meet Frankenstein." 8.25 Summer Sport. 8.30 Special Branch. 9.45 The Saturday Show—Herb Alpert and the TJB. 10.45 The Late Film: "Maybe I'll Come Home in The Spring."

WESTWARD

9.00 a.m. Gardening Today. 9.50 Sesame Street. 10.50 Rock on with 45. 11.20 Tarzan. 12.10 p.m. Look and See. 12.15 Cartoontime. 12.25 Gus Honeybun's Birthdays. †6.50 The Saturday Film: "Battle Of The Coral Sea" starring Cliff Robertson. 8.30 Special Branch. 9.45 The Saturday Show: "Herb Alpert and the TJB. 10.45 Who Matters? †10.50 The Korda Classics: "The Private Life Of Don Juan" starring Douglas Fairbanks Snr. 12.20 a.m. Faith for Life.

YORKSHIRE

10.00 a.m. The Unguarded Moment. 10.25 Dodo the Space Kid. †10.35 Saturday Morning Cinema: "Abbott and Costello Go To Mars." 12.00 The Osmonds. 6.50 p.m. The Main Feature: "Lock, Stock and Barrel." 8.30 Special Branch. 9.45 Herb Alpert and the TJB. 10.45 Movie Through Midnight: "The George Raft Story" starring Ray Danton and Jayne Mansfield.

RADIO 1 247m

(S) Stereophonic broadcast

6.00 a.m. As Radio 2. 8.06 Ed Stewart (S) also on VHF with Junior Choice. 8.45 Headline Spotters. 10.00 Rosko. 1.00 p.m. Ronnie Lane's Top Twelve (S) also on VHF. 2.00 Alan Freeman (S) also on VHF. 5.00 John Peel (S) also on VHF. 6.30 In Concert (S) also on VHF. 7.30-12.33 a.m. As Radio 2.

RADIO 2 1,500m and VHF

6.00 a.m. News Summary. 6.02 Bruce Wyndham (S). 8.03 Racing Bulletin. 8.06 *As Radio 1. 10.02 Charlie Chester: Your* Smiling Saturday Show (S). 12.02 p.m. Here Is Mr. Christopher Stone: the story of the accidental rise to fame of Christopher Stone. 1.02 The Gag-Crackers' Ball: 1,500m only (also 202m Scotland) VHF joins Radio 1. 1.30-5.55 Sport On 2: 1,500m only (also 202m Scotland) VHF joints Radio 1. 1.30, 2.10, 2.35, 3.05, 3.40, 5.00, 5.45 Cricket: Prudential Cup Final and reports on Lancashire v Derbyshire and Sussex v Surrey; 1.30, 2.00, 2.35, 3.05, 3.40, 5.00 Tennis: The John Player Tournament: 5.30 Motor Sport: preview of to-morrow's Dutch Grand Prix at Zandvoort, news of the U.S. Open Golf Championship from Chicago. 6.03 Star Sound: 1,500m only (also 202m Scotland) VHF joins Radio 1. 7.02 Listen to Les (series) 1,500m only (also 202m Scotland) VHF joins Radio 1. 7.30 Sports Desk. 7.32 BBC International Festival of Light Music (S). 10.02 Pop Over Europe. 10.45 Alan Dell with Music Through Midnight (S), including at 11.02 Sports Desk. 12.00 News. 12.31 a.m. News Summary.

RADIO 3 464m, Stereo & VHF

8.00 a.m. News. 8.05 Saturday Overture: Herold, Saint-Saens, Satie, Milhaud (S). 9.00 News. 9.05 Record Review (S). 10.15 Wolf-Ferrari: Chamber Symphony in B flat, Op 8, for piano, string quintet and wind quintet (S). 10.55 Cricket: World Cup: The Prudential Cup Final, ball-by-ball commentary. 1.05 p.m. News. 1.10 The Positive World. 1.25 Cricket: Prudential Cup Final. 7.30 Bach's B Minor *Mass in Chichester Cathedral,* part 1. 8.30 The Positive World. 8.50 Bach Mass in B minor, part 2 (S). 10.00 Critics' Forum. 10.50 Weber (S). 11.20 Mrs. Caudle's Curtain Lectures. 11.25 News.

Radio 3 VHF only—6.20-8.00 a.m. Open University.

RADIO 4

434m, 330m, 285m and VHF
‡ Medium Wave only

6.30 a.m. News. 6.32 Farming Today. †6.50 Outlook. VHF Regional News. 6.55 Weather, programme news. 7.00 News. 7.10 On Your Farm. 7.40 Today's Papers. 7.45 Outlook. 7.50 Today, including at ‡7.50 Keep Fit for All the Family (VHF) Regional News. 7.55 Weather, programme news. 8.00 News and more of Today with Sportsdesk at 8.30. 8.40 Today's Papers. 8.45 Yesterday in Parliament. 9.00 News. ‡9.05 From Our Own Correspondent. ‡9.30 The Week in Westminster. ‡10.00 News. ‡10.02 The Weekly World. ‡10.15 Daily Service. ‡10.30 Pick of the Week. ‡11.30 Science Now. 12.00 News. 12.02 p.m. Stereo Release (S). ‡12.55 Weather, programme news VHF (except London and SE) Regional News. 1.00 News. 1.15 Any Questions? ‡2.00 Man of Action: Sir Hugh Casson, architect and Professor of Environmental Design at the Royal College of Art. 3.00 Matinee Musicale. ‡4.00 News. ‡4.02 4th Dimension. 5.00 PM Reports. 5.55 Weather, programme news VHF (except London and SE) Regional News. 6.00 News. 6.15 Stop The Week with Robert Robinson. 7.00 News. 7.02 Desert Island Discs. 7.30 These You Have Loved (S). 8.30 Saturday Night Theatre (S). 9.58 Weather. 10.00 News. 10.15 A Word in Edgeways. 11.00 Lighten Our Darkness. 11.15 News.

Open University: VHF only 9.05 a.m. to 12.00 and 2.00-5.00 p.m.

BBC Radio London

206m and 94.9 VHF

6.00 a.m. As Radio 2. 7.32 Good Fishing. 8.00 Saturday Scene. 9.30 Three's Company. 11.30 It's Saturday. 2.45 p.m. Close Up. 3.15 The Other Programme. 6.00 News and Sport. 6.02 As Radio 2 until closedown.

London Broadcasting

261m and 97.3 VHF

7.00 a.m. Music in Stereo. 8.00 Saturday with Gillian Strickland. 10.00 Jellybone with Jean Davies. 12.00 Parliament from the Inside—LBC's report on the work of the Westminster Committees. 1.00 p.m. Newswatch. 1.30 Sportswatch. 6.00 Newswatch. 6.30 Artsweek. 9.00 Nightline. 12.00 [illegible] 6.30 a.m. Nightwatch—News every half hour.

Capital Radio

194m and 95.8 VHF

7.00 a.m. Kerrysgoround with Kerry Juby. 9.00 Capital Countdown with Roger Scott. 12.00 American Pie with Tommy Vance. 2.00 p.m. London Link. 6.00 Soul Spectrum with Greg Edwards. 10.00 Tommy Vance with one hour of pure "reggae". [illegible] The Late Show. 2.00 a.m. Night [illegible]

Your savings and investments

Earmarking index-linked money

BY CHRISTOPHER HILL

HAVING WETTED its feet with index-linked national retirement certificates since June 2, National Savings is now steeling itself to launch the new index-linked Save-as-you-earn plan on July 2.

This should have a bigger impact than the lump-sum retirement certificates which were restricted to the older-age bracket and also gave National Savings a few headaches about making sure that enough forms were available. About £10m. of the certificates were sold during the first week, and the second week looks like being comparable. But there were complaints from areas where queues formed at post-offices and Trustee Savings Banks with people merely trying to obtain the prospectuses.

To remind people briefly about what index-linked SAYE offers, the basic contract is for people over 16 to invest between £4 and £20 per month over a five-year period. The scheme is linked to the monthly Retail Prices Index and the contributions will be revalued accordingly. After the five years are completed the investor has the choice of taking his revalued contributions back (he cannot get back less than he put in) or leaving them in the scheme for a further two years when they will be further readjusted in line with the RPI.

The investor will also receive a tax free bonus equivalent to two months' contributions. People who cash in during the first year will only get back their contributions but subsequently they will be eligible for 6 per cent. per annum tax-free interest. Those who miss contributions will have their contract postponed by the relevant number of months with a limit of six months. At that point the contract is terminated and the money repaid, without indexation but with the 6 per cent. interest if the contract is a year old.

I have said on previous occasions that the new SAYE plan is a "natural" for the higher-rate tax-payer for all the rewards are tax-free and even 6 per cent. is not to be sniffed at as a fall back on this basis if the investor opts for early withdrawal. But the factor which encourages the rest of the savings industry is that the amounts are modest. Minet Financial Management reckoned for example that although the terms were "certainly as good as anything we can offer," the scope was not sufficient to have a significant impact on their clients.

Similarly, the School Fees Insurance Agency reckoned that it was not really considering "echeloning" contracts, for the amounts involved were not really up to the £10,000 at current values which is required to keep a child at a top public school for five years. And Fred Richardson of Abbey Life reckoned that perhaps they were being sanguine about it all, but they did not see the scheme as a threat to their property bonds which have enjoyed an upturn recently. However, the point here is that the Abbey Life salesmen are obviously not going to mention the SAYE plan.

So it all depends on how much publicity the scheme gets, but it is clearly useful for anyone saving for a house; to help out with future capital commitments like school fees (this can be done on an individual basis); or indeed to meet the future replacement cost of any consumer durable. The problem with saving to replace, for example, a modest car in five years time (assuming that the throw-away society is on the wane) is that, with prices continually rising, one cannot be sure that the conventional methods will fit the bill. At least one can be reasonably certain that if one's money is inflation-proofed, it will cover the cost of an item in real terms.

Self-employed earnings

BY ERIC SHORT

THERE HAS been considerable outcry over the new National Insurance contribution rates for the self-employed which came into operation on April 5. But what is not generally realised is that these provisions affect people who are classified as employed, but have self-employed earnings in addition.

People in this category, in addition to paying the contributions as employed persons through their normal employment under the PAYE system at 5½ per cent. of weekly earnings up to £69, should under the regulations be paying the self-employed Class II contributions—a weekly payment of £2.41 for men or £2.10 for women if the annual self-employed earnings exceed £675.

Should these self-employed earnings exceed £1,600 in a year, the individual would also be liable to the Class IV self-employed contributions as well. This amounts to 8 per cent. of earnings between £1,600 and £3,600 and is payable with the normal schedule D tax.

The regulations do put a limit on the total amount of national insurance contributions paid by an individual in any one year. The present limits are £201.37 if the contributor is eligible for Class I—the normal employed class—and Class II; and £288.23 for men (£271.80 for women) if eligible for Classes I, II and IV.

The regulations impose a duty on the persons in this category to pay Class II and Class IV contributions as and when they fall due, and the excess payments have to be reclaimed after the end of the tax year, unless application has been made for deferment of such payments. This payment of Class II contributions actually involves buying National Insurance stamps from the Post Office and sticking them on the national insurance card, although there are facilities to pay by direct debit.

Buying stamps is tedious and there is usually quite a time lag before excess payments are actually paid back. Also the amounts involved are small. The maximum Class I contribution payable in a year is about £197, so that the amount being reclaimed could be only a few pounds. Therefore it makes sense to apply for deferment.

This is done by filling in form CF359 which is obtainable from the local office of the Department of Health and Social Security. Once deferment is obtained the contributor has his position assessed at the end of the year and pays the amount owing in one sum. The position is however complicated and persons concerned would be advised to consult their local DHSS office as soon as possible.

Stifling

ONE OF the problems about protection is that it can stifle innovation. This seems to be the danger inherent in the latest Department of Trade regulation which requires insurance companies to provide details of any person about to be appointed to one of the key positions within the company. The 1974 Insurance Companies Act requires the Department to judge whether a key official is a fit and proper person for the post, and the getting of this information in advance is intended to avoid any later difficulties.

But the crux of the position is who will get through this vetting process. It is designed to stop the fringe entrepreneur from operating in the life assurance field and after last year's experience no one can object to this ideal. But might it also mean that only "establishment" men with many years of service will be acceptable to the DoT.

The challenge from the new unit-linked life companies over the past decade has made the well-established companies more thrusting and alive to the needs of investors. Policyholders have benefited from a wide product range and a greater distribution of profit—all without sacrificing the underlying security of the companies. It would be a great pity if the spate of DoT regulations resulted in the life assurance industry returning to its previous complacent rut.

● GOLD

Tarnished Krugerrands

A FEATURE of the past week has been the accelerated fall in the premium on domestic krugerrands. Standing at 79¾ to £80¼ at the close of Wednesday's dealings the premium had fallen to only 10¼ per cent.—the lowest level since the restrictions on new imports were imposed in the Budget. With the gold price weak, one might have expected a lower demand for krugerrands, but not of the present dimensions.

The reasons for the drop in the premium are not entirely clear-cut, but dealers are generally agreed that there have been some big institutional sellers, taking profits on at least some of their holdings. This was always on the cards, for there is a tendency for institutions to be bullish about gold just before they sell out, but there have also been some rather more sinister rumours about large numbers of smuggled coins. It is always difficult to know how far this is rife, but one would have thought that (now that several suspects have been caught) the risks of smuggling were sufficient to deter the larger operator.

At any rate, the dealers who say that it is harder to smuggle 200 cigarettes into the U.K. than 20 krugerrands are counterbalanced by those who say that they have not seen any coins from unnamed sources. I feel that profit-taking by U.K. institutions is probably the more significant feature and the comfort for present holders of krugerrands is that as soon as the premium drops to an "attractive" level—which might well be the position at the moment—there tends to be a resurgence of demand. But the U.S. Treasury's gold sale on June 30 is still a depressing factor at the moment, though the general feeling is that there will be a lot of demand from "bargain-hunters."

But if they are only in for a quick "punt," there could be a later reaction in the price. This at any rate is the view of the punters in the Investors Gold Index (Tel. 01-499 9851) who now apear to be mainly selling the Index short. A month ago they were operating on the opposite tack. But they would have been wrong then and I feel that at the current price for the coins the longer term investor should have a golden hedge—preferably managed by professionals.

Profit trends in U.K. holiday companies

BY DAVID WRIGHT

THE CURRENT summer season has all the makings of another bumper period for the U.K. holiday groups. Once again the appeal of a holiday in the U.K. has surely been boosted by the problems facing the overseas tour operators. These now have to contend with the fast diminishing value of the pound which is not only increasing the cost of the overseas holidays (surcharges are being imposed) but is also reducing the spending powers of the British public abroad.

Overseas tour operators had a disastrous time in 1974. The sharp rise in fuel prices sent the cost of air travel through the roof, severely denting the competitive edge of the package holiday. As a result carryings dropped by 25 per cent., forcing a number of operators out of business.

The U.K. holiday industry reaped the benefit of this drop in overseas carryings with the number of main holidays taken in Britain rising from 27.5m. to 29m. By and large the groups operating in the U.K. expected to at least hold this level with many gearing up for higher capacity. The overseas tour operators were equally confident of recovery. Certainly a high level of early bookings tended to back up this prospect but the drop in capacity will keep the figures below the levels seen in 1972-73.

Those projections were, however, made before these recent sharp downward movements in the value of sterling. Just what damage this has done to sentiment is difficult to gauge but over the past couple of weeks late bookings for U.K. holidays have been very buoyant.

This point is endorsed by Ladbrokes, whose holiday division is the third largest in the U.K. Ladbrokes has increased capacity for 1975 from 350,000 to 400,000 holidays and bookings are more than justifying this move. Last year profits from this division (incorporating hotels and entertainments) were £2.01m. (about 19 per cent. of group profits) against £2.07m. for the previous 18 months.

The trend at Pontins seems equally buoyant. After just two months, bookings in the U.K. and indeed its overseas villages were more than 80 per cent. of capacity and at the time the seven months profits, to October 31, 1974, were announced last month it was stated that they were in excess of comparable levels in 1974. Interim profits come out at £4.66m. against £4.73m. The drag here was the overseas side and a £150,000 loss resulting from the Court Line crash. Full year profits are expected to be around £3.8m. against £3.7m. while one broker's estimate for 1975-76 comes out at £4.6m.

Monitor, formerly Warners, was another to be hit by its overseas interests, namely Vista Tours. Losses of this subsidiary, since closed down, were forcing the overall group into the red in 1973-74. With the loss-maker out of the way Monitor managed a net profit of £64,000 in 1974-75 against a loss of £187,000. This figure was below expectations but the liquidity position—interest charges were a drag—is apparently on the mend thanks to higher U.K. volume. What is more, there is talk in the market that a bid approach is in the wind.

Joseph Webb, which runs holiday centres, including Holimarine camps, has also failed to reflect the U.K. holiday trend in profits. But this time the problems are not overseas tours but property dealing. Group first-half profits were £125,416 against £103,636 but this masks a jump from £118,000 to £199,000 in holiday trading profits. The lack of any further contributions from estate development in the second half will bring overall profits down to the £200,000 mark (£253,000 in 1973-74 including land sales of £156,000). On the holiday side, Webb has the spare capacity to cash in on current trends since two new centres have yet to reach group average occupancy levels. That said, and if the company can avoid property dealing pitfalls, strong recovery should be on the cards in 1975-76.

Leisure Caravans is one of the few companies that has been totally involved in the U.K. holiday business, so it could be argued that its profitability is an ideal barometer of U.K. trends. Profits here have been consistently strong since the company went public in 1972. Over this period the growth has been from £271,000 pre-tax to £955,000.

		1975			
COMPANY	PRICE	HIGH	LOW	P/E	YIELD
LADBROKES	161	176	56	8.5	3.7
LEISURE CARAVAN	70	71	35	—	10.1
MONITOR	12	17	8	—	—
PONTINS	26¼	28	13¾	9.4	7.7
WEBB (J.)	13½	16½	7	9.2	8.4

The volume of rentings for caravan space this year is expected to be more or less comparable with that of 1974-75 but rent increases in line with inflation should keep the company on a growth tack. Moreover, the higher level of bookings for caravan holidays that has been seen so far, will boost the on-site activities.

Butlins, the leader in the U.K. holiday industry, is now part of the Rank Organisation but it is still possible to get some investment guidelines. A breakdown of group activities showed that the holiday centres pushed up turnover from £25m. to £31m. in the year to October 1974, while profits rose from £5.02m.

It is clear then that there is an across the board agreement that U.K. activities will remain a growth sector in 1975. What is a pity, however, is that investors are not able to get a bigger slice of the action with two of the leaders in the field forming part of larger combines. But for those interested there remain one or two attractive situations.

APPOINTMENTS

Frank Belok is Silhouette (London) vice-chairman

Mr. Frank C. Belok, a director of SILHOUETTE (LONDON), has been appointed vice chairman. Mr. Douglas C. Roach has joined the Board and Mr. E. John Edwards has been appointed secretary.

★

Mr. J. A. Rees has been appointed sales director of HARDY SPICER, a member of GKN Transmissions.

★

Mr. Peter Williams, deputy chairman and joint managing director of Wedgwood and Josiah Wedgwood and Sons, has been elected president of the BRITISH CERAMIC MANUFACTURERS' FEDERATION. He succeeds Mr. Arnold Smith, managing director of Pilkingtons Tiles Holdings.

★

Rico Petroleum Corporation and Thames Liquid Fuels have formed a jointly-owned U.K. company, THAMES RICO, which extends the Rico Group's trading activities in Europe. The directors are Mr. G. P. R. Esdale, and Mr. F. P. Stagen (U.S.A.). Mr. John Lowe, previously managing director of Atlantic Richfield Petroleum, has also joined the Group.

★

Mr. William Geraghty, at present Deputy Secretary (civilian management) Ministry of Defence, is to be Second Permanent Secretary (administration) in the Ministry of Defence, in succession to Sir John Wilson, from September 3.

★

Mr. Peter A. Tipper has resigned all his directorships in the KIRKLAND-WHITTAKER GROUP.

★

Mr. Neil Freeland and M. Philippe Faurisson have joined the Board of H. CLARKSON AND CO.

★

Mr. P. W. S. Carruthers, Mr. M. H. Hindley, Mr. J. F. Trickett, Mr. T. W. Watson and Mr. N. C. Webber have been appointed to the group management Board of VANTONA.

★

Mr. Richard W. Hole is to become managing director of DEAN SMITH AND GRACE, a subsidiary of the Monarch Machine Tool Company of the U.S. He will succeed Mr. Ian H. S. Smith, who is resigning on October 30.

★

Mr. James Fouldes has been appointed group managing director of TINSLEY WIRE INDUSTRIES and its subsidiaries. He was previously a director and group general manager.

★

Mr. W. J. C. Doule and Mr. J. M. Hobbs have been appointed deputy chairman of INVESTECO OVERSEAS HOLDINGS.

★

Mr. T. A. Maher has been elected a director and chairman of WRIGHT BINDLEY AND GELL. Mr. K. J. Ball, the group secretary, also becomes a director of the company. Mr. F. R. Newman will continue to serve as a non-executive director, but Mr. P. D. M. Gell is to resign as a non-executive director from July 1.

★

Mr. John L. Barrons, a director and general manager of WESTMINSTER PRESS, has been appointed deputy managing director from July 1.

★

Sir Ralph Freeman, senior partner in Freeman Fox and Partners, has been elected president of the WELDING INSTITUTE. Sir Ralph, who is also the current chairman of the Association of Consulting Engineers, succeeded Mr. A. Robert Jenkins, chairman of Robert Jenkins (Holdings).

★

Mr. F. H. Wilkinson and Mr. E. Tindall have been appointed directors of ST. BERNARD PLASTICS. Mr. Wilkinson was previously secretary and Mr. Tindall chief engineer.

★

Mr. Robert Gilbert has been appointed an associate director of RUDOLF WOLFF AND CO. He was previously finance manager. Mr. Andrew Strang has been appointed managing director of Rudolf Wolff and Co. Pty., Melbourne, Australia.

★

Mr. Harry C. Reeve, sales director of Reeve Burgess has been elected president for 1975-76 of the VEHICLE BUILDERS AND REPAIRS ASSOCIATION.

Mr. H. C. Holyoake, chairman and technical director of Advance Tapes, has been elected chairman of the BRITISH ADHESIVE TAPE MANUFACTURERS' ASSOCIATION.

★

Mr. J. H. Jewel, managing director of WITCO CHEMICAL U.K. operations will retire on June 30. Mr. J. M. Brown, financial director, will succeed Mr. Jewel from July 1.

Finance and the family

Disclaimer of responsibility

BY OUR LEGAL STAFF

No legal responsibility can be accepted by the Financial Times for the answers given in these columns. All inquiries will be answered by post as soon as possible.

You advised (April 12) that loss or theft of a coat from a restaurant cloakroom was not the responsibility of the proprietors "at least when there is no charge made for the use of cloakroom facilities." The implication is that if a charge is made responsibility exists. If this is so, does it suggest that operators of car parks who charge for the use of their facilities but nevertheless disclaim responsibility for loss or damage are indeed liable?

It was not intended to convey that responsibility would attach in a situation where payment is made; but the courts are less willing to allow an effective disclaimer of responsibility where there is a bailment for value. Thus issues may arise as to the clarity or prominence of the disclaimer, and the time at which it is made or is deemed to be made; such a disclaimer can be effective.

Breaking of a trust

Referring to your reply of May 10, headed "Breaking of a Trust," if the capital value of a life interest can be assessed and if this value is retained by the life tenant when the trust is broken is it correct to deduce that, since there would then be no transfer of the life interest, no capital transfer tax would be payable? Who could give an actuarial assessment of a value of a life interest, satisfactory to the Inland Revenue?

If the life tenant retains no more than the actuarial value of his life interest, capital transfer tax should not be payable by him; it will be payable by the remainderman on the value which is apportioned to him. A chartered actuary can make a valuation of the life interest for the purpose which you mention.

Bank account abroad

I am in the process of retirement from Kenya and propose to live in England. In Kenya I own shares and a house which is let. Can I still run a bank account there?

If you are to become a resident of the U.K. for exchange control purposes, the question of whether you could maintain a bank account in Kenya would depend entirely on your individual circumstances. Normally The Bank of England would give permission only for specific reasons—your house could be sufficient justification if, for example, you wished to maintain it as a holiday home. However, you would certainly have to make a specific application giving full details of all the circumstances to The Bank of England through your own bank.

Seizure of wife's property

I have been told that bailiffs might seize household property belonging to me, in case of action against my husband. I have no proof of ownership. What can I do?

You may wish to make a statutory declaration setting out what is in your ownership and how it came to be so. The question of who owns household chattels is a question of fact. For those items whose ownership you can establish as being vested in you there is no power either in a trustee in bankruptcy or in a court bailiff to seize or require you to deliver up the chattels by reason of your husband's default. It would be wise for you to consult a solicitor.

Social security contribution

The profit before tax of my firm for the present financial year is expected to be about £2,600 and I propose to bring in my wife as a limited partner, profits to be shared equally. What, please, will be the position as regards Class 4 contributions of each partner under the Social Security Act 1973?

The class 4 social security contributions are not payable in respect of a "sleeping partner's" share of profits (leaflet NP18 Class 4 National Insurance Contributions for 1975/76).

Your share of the profits, being under £1,600, will not be liable to the 8 per cent. class 4 contribution.

Domicile in Switzerland

In a reply on March 8 under the heading Tax on income from U.S. you described the tax position of somebody domiciled in the U.S. but resident in the U.K. Does the same apply to those domiciled in Switzerland? Is a pension taxed in Switzerland also taxed in the U.K. if remitted to the U.K.? What about investment income?

The provisions in the Anglo/U.S. double taxation convention that you refer to apply only to *dividends and interest paid by U.S. corporations to U.S. citizens* who are resident in the U.K. These persons are not subject to U.K. tax in respect of such income whether or not it is remitted here following the decision in the Lord Strathalmond case (48 T.C. 527). There are no similar provisions in the Anglo/Swiss double taxation convention.

Pensions (other than government pensions) paid from Switzerland to U.K. residents are exempt from Swiss tax provided the recipient is subject to U.K. tax on them. U.K. residents who are not domiciled in the U.K. (or who being British subjects or Eire citizens are not ordinarily resident in the U.K.) are only subject to U.K. tax on pensions or investment income which are remitted to the U.K.

Any income taxed in both countries will give rise to a claim for double taxation relief.

Use of external accounts

I own some shares I bought during years of residence abroad and I have an external account in London. I propose to come and settle in England in July. Can I buy further overseas shares via my external account and so not pay the premium?

Until you become fully resident in the U.K. for exchange control purposes, you may not use the dollar premium market. When you become resident again in July, however, you should ensure that any foreign currency securities you then hold are deposited with an authorised depositary and any cash held in external account will then become resident. You may, therefore, use this cash before the end of July to purchase foreign currency securities, without paying the premium.

After you become resident, however, any foreign currency securities you hold would be subject to restriction. Any sale would require Bank of England permission and the proceeds would not be premium worthy. This restriction would apply for 2 years, on the assumption that you have been resident abroad for more than three years, after which period you would then be able to sell with benefit of the premium.

A maintenance allowance

My wife and I have agreed to separate, but we are not unfriendly. I shall be making her a maintenance allowance. Do I deduct tax and pay it to the Tax Collector? Do I receive any tax relief in this connection? If my wife and I were to go on holiday together, occupying a double room, would this invalidate the assessment of my wife and myself as single persons?

Section 42 (1) of the Taxes Act provides that a husband and wife shall not be treated as living together if "(a) they are separated under an order of a court of competent jurisdiction, or by deed of separation, or (b) they are in fact separated in such circumstances that the separation is likely to be permanent."

Whether the circumstances are indeed such as to make it likely that the separation will be permanent is a question of fact, which in the last resort would fall to be decided by the Commissioners of Taxes at a formal appeal hearing. Our impression from your letter is that occasional sexual relations (even if exclusive) should not negative the presumption that the decision of your wife and yourself to live separate is absolute.

Although an oral agreement to pay maintenance can generally be effective for tax purposes (giving the husband the right to deduct tax at the basic rate and to obtain relief from higher rate tax on the gross amounts); it is advisable—particularly in your own case—that the terms of the maintenance agreement be embodied in a formal document, professionally prepared.

The tax which you withhold from the maintenance payments does not have to be paid over to the Revenue separately. What will happen, in effect, is that you will pay basic rate tax of the whole of your income (without any relief for the maintenance payments), but the maintenance payments will be deductible from your total income in calculating your liability to higher rate tax.

In your wife's hands, the maintenance payments will be treated as investment income (even though you may be making the payments out of your earnings), but the first £1,000 a year is specifically exempt under Section 15 of the Finance Act 1974. If your wife has no investment income of her own, therefore, there will actually be no investment income surcharge on the first £2,000 of each year's maintenance payme[illegible]

Insurance

Continental car cover

BY JOHN PHILIP

THIS IS the time of the year when motorists in ever increasing numbers put their families in their cars and take to the cross-Channel ferries and the roads of Europe for their annual holiday. Some may be doing this for the first time, others after a lapse of years, in which case a review of basic insurance points may be helpful—and I hope that this will be so even for the regular traveller abroad.

Because of British membership of the EEC, all British motor policies now provide as much compulsory legal liability cover within the Community as is required by the local law of each member State. Though tentative steps are now being taken to greater uniformity, the amount and range of compulsory cover still varies, and any British motorist with "comprehensive" cover in this country who relies solely on the European cover provided by his policy may find himself very short of insurance if he has an accident abroad.

Legal liability

This built-in legal liability cover is provided, beyond the limits of the EEC, in those European countries that have made special motor insurance arrangements with the Common Market States, currently Norway, Sweden, Finland, Austria, Switzerland, Czechoslovakia, Hungary and East Germany.

In essence the EEC rules assume that a car registered and normally used in any member State has the minimum *insurance required to comply* with the compulsory insurance laws throughout the Community. On this assumption the examination of certificates of insurance of EEC motorists crossing frontiers was abandoned two years ago, so that the majority of British motorists who travel abroad without incident will not now have to produce to the police, customs or any other authority the Green Card that British insurers say is still necessary.

The fact is that the green card, being a form designed with international agreement, still provides the best evidence that the holder has the insurance required—European police and other officials are used to its shape and layout whatever the language in which it is printed, whereas they would most probably scratch their heads if confronted with the average British statutory certificate of motor insurance.

Furthermore, although the EEC rules apply to the nine Common Market members and the other eight countries I have mentioned, there remain others outside these arrangements on the mainland of Europe—Spain and Portugal, Yugoslavia and Greece and other East European countries — at whose frontiers the green card is still a pre-requisite of motoring entry and where the motorist without a green card must buy local insurance before driving on.

Despite the provision of European compulsory cover, British insurers still require the motorist taking his car abroad to give them prior notification, and many policies still have positive conditions to this effect. Failure to give insurers prior notification cannot in law negative the European compulsory cover, but it does mean that the motorist with, say, "comprehensive" cover will have no protection for accidental damage to or loss of his car by fire or theft, perhaps even no protection against third party damage claims or claims by his passengers.

Extra premium

Insurers do not automatically provide the British motorist going abroad with cover of the same extent as he enjoys here. They may put an "excess" on the accidental cover or even refuse to provide such damage cover at all: their attitude depends on the period of cover, countries to be visited, the age and experience of the driver, the kind of car and so on.

Whatever cover he gets, the motorist can normally expect to pay extra premium, usually in the £3-£5 range for a family saloon being taken for a fortnight's holiday by a mature driver, but appreciably more for a longer period, for a more powerful car, for use by young drivers and so on.

Most insurers issue the motorist with an endorsement specifically extending his policy to Europe for the period required and all provide him with a Green Card.

The territorial limits of most British policies have included the Republic of Ireland for many years, and police and other authorities on both sides of the Irish border are used to handling motor insurance certificates from each other's territories. As the Republic is an EEC member, so on entry no proof of insurance is required by the British motorist and many British insurers do not now issue Green Cards to their policyholders visiting the Republic. The motorist going to the Republic should normally have the full protection of his U.K. policy without any special action on his part and without payment of extra premium.

One of the documents British insurers now provide for the motorist leaving this country is the English translation of the internationally agreed European Accident Statement, which had its origins in the French "Constat Amiable." This form has been designed for completion and signature by the motorists involved in a two-car accident and its aim is to establish the facts at the earliest possible opportunity: its signature is expressly declared not to amount to an admission of liability.

Although attitudes vary from one country to another, the British motorist may find himself under increasing constraint by the European traffic police, and for example, in France, the completion of the EAS is now virtually obligatory after a normal traffic accident. However, insurers supply the English version of the EAS so that the motorist can know what questions are being posed in, say, the French or German language version and they give the *British motorist the option of* completing or not completing the form after an accident, as he wishes.

Two copies

Insurers provide two copies of the form, the original and a carbon copy, so that each motorist signing the form can have his own copy. British practice is to ask the motorist who has had an accident abroad to supplement the information by filling in the appropriate sections of insurers' standard accident report forms. On the Continent some insurers issue the EAS with additional questions on the reverse side, but so far as I know no British insurer has yet adopted this practice.

TAXATION AND THE INVESTOR

Thoughts on the "social wage"

BY JOHN CHOWN, TAXATION CORRESPONDENT

IN THIS inflationary age we are most of us conscious of the diminishing purchasing power of our income. Government spokesmen are fond of telling us that in addition to our take-home pay we all of us enjoy a "social wage" which is the value of services provided for us by the State and paid for out of taxation.

The implication is that we should be duly grateful and that we should add this figure of some £1,000 per annum to our income when working out how well off we really are.

It is true that we are better off in a real sense because of roads and parks, free health services and free education. On the other hand, are we quite sure that the exact package of goods and services provided by the State is the same as the package we would buy if we had the money in our own pockets?

Once upon a time, in the bad old days when trade unions were a criminal conspiracy, there was a system known as "truck." Employers, instead of paying their workers in cash, gave them goods alleged to be worth the equivalent value, but of the employers' own selection and possibly manufacture. Alternatively, wages were wholly or partly paid in tokens that could only be spent at specific shops, perhaps a "company shop" owned by the employer himself. Such shops, virtually in a monopoly position, could charge high prices and thus profit at the expense of the employees. From the employers' point of view this arrangement kept down the real cost of wages, and kept business within a small group of friends.

Employers could, and doubtless did, argue that by giving their workers good wholesome food or other goods suitable for their station in life, they were protecting them from the temptations of spending their wages on gin, sin and gambling. This paternalistic "big brother knows best" attitude is paralleled by the attitude of government to-day.

It was the early pioneers of the Labour movement who pressed for the abolition of "truck." It is ironic that it is Mr. Healey, Mrs. Castle and the rest of to-day's successors of these pioneers who are presiding over the masive extension of "State truck." They are forcing us to take a politician-decided package of benefits, and are *surprised* that we do not regard this package as quite as good as freely expendable cash!

One of the earlier triumphs of the Labour movement was the introduction of a series of "Truck Acts" designed to abolish this practice and make it compulsory for wages to be paid in hard cash. Indeed until very recently, one effect of the Truck Acts was to make it illegal to pay manual workers by cheque!

Mr. Denis Healey pointed out last February that "the social wage is as important to the ordinary man and woman and the children—as the wages paid directly to them by the employers. And the social wage has been increasing very much faster than ordinary wages—much faster than prices too. The increase in the social wage in the present year is about 35 per cent. compared with 1973/74. Even after taking away the effect of price increases, this part of people's living standards has gone up between 10 per cent. and 12 per cent."

In the course of the Budget Debate, Mr. Healey suggested that the value of the social wage is about £1,000. Sir George Sinclair tabled a Parliamentary question asking how this figure was made up. Mr. Joel Barnett replied that for 1974/75 the figures were as follows:—

Social Security	£270
Education, Libraries, Science and Arts	£210
Health and Personal Social Services	£180
Housing	£160
Other Environmental	£70
Law, Order and other protective services	£50
Social Services and other—food, nationalised industries, price restraint and the main subsidies	£60
	£1,000

It will be noted how neatly the figures come to the round total. Had I been a member of Parliament I might well have asked a supplementary question—does "Law, Order and other Protective Services" include the services of my friendly neighbourhood Inspector of Taxes and if so does he constitute part of my social wage?

An aspect of this social wage that might deserve closer examination (but not by me) is the extent to which these services are actually paid for by taxation. To a considerable extent, perhaps a third of the total, they could be allocated to the Government's extremely high borrowing requirement which in turn is financed by our balance of payments deficit. This is fine while it lasts, but borrowings have to be repaid if we are to get back to the position of paying our way in the world (and perhaps repaying some of the debt we have been incurring in the past year or two), and there must be a sharp fall either in money wages or in the social wage and perhaps both.

I am delighted that the Chancellor brought this issue into the open. All modern societies provide central and local government services. These services undoubtedly confer benefits on the public. Equally undoubtedly, they cost money and must be financed out of taxation. Obviously the higher the level of State expenditure, the lower, other things being equal, is the amount of money we have in our pockets to spend as we wish.

In some cases central expenditure is more efficient or even inevitable. Obvious examples are roads and defence. Central expenditure, however, suffers from two defects. First, the nature and level of these expenditures is not decided by the individual but by politicians. Even if the central Government is doing its best to respond to the genuine will of the people, it is impossible to please all of the people all of the time.

As Sam Brittan has recently been pointing out, "the democratic market place" is a very inefficient mechanism for ensuring that people get what they want. This needs no stressing in to-day's conditions when a Government, with the smallest ever measure of popular support, is taking the largest ever proportion of national economic decisions.

The second disadvantage of central expenditure is that it is in no one's real interest to control the relationship between cost and quality. When you buy for your family, you watch value better than does any government department.

Now that we have the concept of the social wage as a clearly defined political concept, let us use it. We should work out the cost of each existing public service and of each new proposed public service. We should then express the cost in the terms of a "social wage" and it should be made clear to the citizens that the financing of this particular part of the social wage will mean an exactly corresponding reduction in his take-home pay.

He can then consider whether the value of this particular service is greater or less than the value of what he could buy with that amount of cash freely available to him. If he thinks it is greater he will obviously tell his elected representative that he favours the change. If not, he will make it clear that he would rather have the money by way of reduction (or avoidance of increase) in taxation.

If the political machine were sufficiently sensitive, we would then at least make sure that we have only those social services which do give good value for money. Some of them undoubtedly do, but I suspect that if this analysis was ruthlessly carried out, the level of public expenditure would be of the order of half what it is to-day.

The cost of the "social wage" would only be *exactly* borne by the individual if we assume that the alternative is a flat-rate, per-capita reduction in taxation. This would not in practice happen and the cost of any new component in the social wage would be borne differentially by different individuals and according to which method of financing was used.

It is essential to face up to this possible source of confusion. Advocates of a particular expenditure measure usually try to make out that it will be somebody else who will pay the extra taxes.

In fact, as we all know, there is very limited scope for redistribution within the tax system and the bulk of revenue is collected from basic rate income-tax, from value added tax and from other taxes which are spread fairly evenly over the whole community. Capital taxes and higher rate taxes perhaps amount to no more than £50 of the social wage—the rest is financed by taxes which are *not* distributed but merely paternalistic.

We should all be grateful to Mr. Healey for bringing this concept so closely to our attention. I am sure that its proper analysis will lead to a re-examination of the whole structure of taxation and public expenditure with beneficial results to the economy and to the citizen.

Motoring

A stylish Lancia Coupé

BY JAMES ENSOR

THE ITALIANS have always had a way with coupés. The Bertone designed Alfa Romeo GT Junior, now almost ten years old, still looks one of the shapeliest cars on the road. Fiat's popular 124 coupé is both attractive and a practical four seater. Alfa Romeo's Alfetta coupé, again designed by Bertone, must also rank as one of the world's prettiest cars.

And now Lancia has brought out a coupé version of the Beta. I must confess that I have not been among the most ardent admirers of past Lancia styling; the saloons always seemed crude and boxy, the coupés cramped and dated. But I have to admit that I feel Lancia has really hit the right formula in this new Beta coupé, which has been on the British market only a matter of months.

The Beta coupé has all the answer to Fiat's highly successful 124 coupé: and given the Italian group's tendency to contract its total model range and award most of the sports models to the smaller Lancia concern, it seems likely, ultimately, to replace the Fiat. It shares the 1600 cc engine of the Fiat—this is the only version currently offered in Britain—but the drive is through the front wheels.

The Beta coupe has all the performance and handling characteristics which have made the saloon such a success—by Lancia's standards—in Britain. But instead of the rather heavy, bulky styling of the saloon, with its ample five seater body, the coupé has the kind of light, lean bodywork at which the Italians have proved so successful. People buy coupés for their looks and the Lancia has them.

But it says something for the designers that they have also managed to provide reasonable accommodation for four adults and a boot larger than on many small saloons.

It may be the more compact size or it may be the different way in which the suspension is set up, but the Beta coupé feels a much tauter car on the road than the saloon version. I personally would never promote the Beta saloon as a sporting car, even though it has good permformance, for it feels relatively sedate. The coupé, by contrast, almost asks to be driven hard. Yet, at the same time, the ride, which is always the weakest point of high performance coupés, is surprisingly smooth.

A five-speed gearbox, derived from the short marriage betwen Fiat and Citroën, makes the Lancia a relatively quiet motorway cruiser. Its fuel consumption is adequate rather than impressive, but it should return about 30 mpg out of town. Like all Fiat-engined cars, the performance comes in response to high revs, at which point the coupé does sound very noisy.

The interior trim is soft and plush in typical Italian style. Fairly soft seats, covered in deep velvet-style cloth, are comfortable and provide good support at the sides. I liked the fact that head restraints are fitted in contrast, and these ones in contrast to some are comfortable to lean against when a passenger. The cloth proved quite cool in the hottest British summer weather, but I suspect would be very hard to clean and a little impractical for small children.

The dashboard layout and instrumentation has progressed enormously since the old days when Lancia produced the weirdest designs in the business. Many of the sensible Fiat ideas have been adopted and the lights are worked from a lever on the steering column. I notice, too, that Lancia, unlike most Continental manufacturers, has taken the trouble to reverse the levers for right hand drive, so that the indicator switch is on the right as in most British cars.

The Beta coupé has been launched into a highly competitive market sector. At £2,668, it is rather more expensive than its rivals from Volkswagen, Toyota, Renault or Fiat, and substantially more expensive than the Ford Capri.

On the other hand, it carries the Lancia name, which will undoubtedly win it some support in Britain, where old names are revered. It is very much cheaper than the Audi 100 coupé or the Alfa Romeo Alfetta GT, which carry similarly proud traditional marque names. And while it cannot match, in my view, either the handling or the performance of the Alfa, it is much more atttractively styled than the Audi.

The Beta coupé will clearly win friends in Britain, particularly as the range is extended to include Spyder—open four seater—and sporty-estate versions. With these cars as well as the mid-engined Monte Carlo sports car—a design which was originally intended to emerge as the Fiat X 1/20—Lancia will soon be offering as good a range of sporting and stylish cars as any marque in Europe.

Bridge

From three angles

BY E. P. C. COTTER

SOME TIME ago I was sitting South when, with both sides vulnerable, my partner dealt the hand in the diagram below:

N.
♠ A K 4
♥ Q J 10 5 2
♦ 3
♣ A K Q 7

W.
♠ —
♥ 9 8 7 4
♦ K Q 10 9 6
♣ 10 8 5 4

E.
♠ J 9 7 3
♥ 6 3
♦ A J 7 2
♣ J 3 2

S.
♠ Q 10 8 6 5 2
♥ A K
♦ 8 5 4
♣ 9 6

Let me first tell you what actually happened in this rubber of mediocre standard. North opened the bidding with one heart, I replied with one spade, and North jumped to four spades, a sequence which would not win a prize in a bidding competition. West led the diamond King which held, and then switched to the four of clubs. I won, cashed the Ace of spades, took the marked finesse against East's Knave, and made twelve tricks without difficulty.

Instead of brooding over the missed slam, I decided to be grateful for winning the rubber, and then I saw that the hand was worth writing up. Suppose that some South player should optimistically bid five hearts after his partner's triple raise. This would move even the most backward North to bid six spades.

But South's opponents are good defenders, and East overtakes the diamond King with the Ace and returns a diamond to force a trump from dummy. The declarer cashes the trump Ace, and realises that he must execute a trump coup. He knows the mechanics—he must reduce his trumps to the same number as East's, so that at the twelfth trick, when he leads a plain card from the table, East will hold Knave, nine of trumps, and the declarer Queen, ten.

South cashes his Ace, King of hearts—clearly East must be assumed to hold two cards in the suit—enters dummy with a club to the Ace and ruffs a heart, the first coup. East, of course, throws a club. Crossing again to dummy with a club, he leads a heart, and East has to think quickly. If he discards, South will throw his diamond loser, ruff a heart or a club, and make his contract.

Reaching the right conclusion that, unless South's unknown card is a diamond, the contract is unbeatable, East ruffs and South overruffs. Dummy is re-entered with the spade King, East ruffs whatever is led to the next trick, and South winds up with a losing diamond.

Finally, we put four experts round the table, and see how they bid and play. After one heart, one spade, North rebids three clubs. South says three spades, North raises to four spades, and South bids the little slam. This is a beautiful sequence. The bid of three clubs is a "picture bid," revealing the distribution and high card strength, and marking the diamond singleton.

Again the diamond King is led and overtaken, and the suit is returned to force dummy. But this time South, with a possible bad trump break in mind, does not make the mistake of cashing the Ace of spades. He makes Ace, King of hearts, enters dummy with the club Ace, following with King and Queen, on which he throws a diamond, and the last club is ruffed. Now he returns to the table with a trump to the Ace and leads a heart, which he ruffs for the second coup, and finally crosses to the table with a trump to the King, and claims his contract.

The first class declarer saw the necessity for preserving the spade honours as the safest entries to dummy, avoiding all possibilities of a club ruff by East. The "good" declarer made a brave attempt, but did not plan far enough ahead.

The Arts

Basle Art Fair

BY JOHN HOPE

ART 6 '75, subtitled "The most modern way to encounter modern art" by its organisers is the sixth International Art Fair to be held in the vast Swiss Industries Fair halls at Basle.

Art fairs are a new international phenomenon. Swiftly, if not silently they've crept unnoticed by the ordinary gallery goer past Biennales to the top of the art ladder. Basle in late spring and Cologne-Dusseldorf in autumn are now nodal points of the international art year, places to see newest work by the greatest modern names, as well as unnoticed and up-and-coming—not to mention a slice of the biggest dealers in Europe and America for once clear of their back rooms.

Art fairs are a bid to escape the intrigues and the straightjacket of chauvinism and academicism which immobilised the old, official style, grand international shows with their grand openings, prize-systems and government committees. They're a grass-roots affair, firmly based on reality, on real needs for the art world to meet in agreed places to exchange paintings, exhibitions and ideas. To see and be seen.

The Basle show is vast and lively, an eye-twisting 300 galleries from 22 countries ranging in size from the U.S. to Lichtenstein and 20,000 art works spread over three acres plus of dealers' stands. The major share has been taken by France, Germany, Italy, England and the Swiss themselves. Exhibitions include one-man shows by more than 40 painters, demonstrations by private individuals and as centre-piece a well hung show of modern British painting.

The British show is chosen by a small committee of the London art dealers—Godfrey Pilkington, Kasmin, David Juda and Felicity Samuel. Their choice is idiosyncratic and at times surprising. It includes big names—Moore, Hepworth, Passmore, Nicholson, Bacon and Sutherland—well-established painters who made their names in the fifties and sixties—Caro, Blake, Hockney—and some long-shots whose claim to represent Britain seems more justified by promise than performance. Some painters are represented by splendid works—Mary Martin for one—but others, Caulfield among them are sometimes better shown on their dealer's stands. The surprise of the show and perhaps the most immediately striking piece is a group of three life-size figures by John Davies, a little seen sculptor still in his twenties.

Dealers' stands are dominated by some fine one-man shows—big names at the big names: Oldenburg at Castelli, Wesselmann at Janis, Lichtenstein at Beyeler from Basle all show brand-new work while smaller shows include Nicholson at Emmerich, Robert Graham at Gimpel-Hanover, Allen Shields at Ariete and Alan Green at Judas.

Among galleries with mixed shows a strong house image shows up best. Kinetics at the Toronto Electric Gallery manage to absorb Morellet's vibrating strings, a fire-like spark maker by Marcheschi and a huge blow-up plastic coloured flower. Nigel Greenwood has Gilbert and George (in the British exhibition as well) and the industrial art photographs by Bernd and Hilla Becher seen last winter at the ICA. The strong black and white constructivist works at Lucy Milton and the Bochum Gallery also appear to great advantage.

Elsewhere there's a strong element of the fun of the fair in many offerings. Individual offerings include Martin Schwarz's disappearing picture sequences, with Old Masters gradually reduced to nonentity — a Van Gogh landscape obliterated by Van Gogh like brush-strokes or the Leonardo Virgin of the Rocks reduced to rocks; a nail-studded violin and case, the joint effort of Jurg Brodmann and Gunther Heckner, or a Denis Oppenheim multiple of a motorised marionette with musical accompaniment to lyrics by the artist called "It ain't what you make, it's what makes you do it."

Apart from the one-man shows themselves most of the modern names are somewhere, frequently at half a dozen galleries or more and it's interesting to play the game of In and Out. Hockney is everywhere, in the British show, with a big print retrospective at Petersburg Press and figuring in no less than fourteen other dealers' galleries. Christo is another In. By contrast Hyper-realism is Out and photography In in a big way—perhaps there's a connection. Numerous galleries show everything from straight photography by famous professionals to the more or less stage-managed images (usually less) of the painters' final effects. There are groups of colour-pictures of green leaves by Nannucci at Salone Annunciata, Polaroids by Urs Luthi in groups again, photomontage environments by the American Doug Prince, swatches of gruesome blow-ups of blood and bodies elsewhere and the slightly less gruesome but more sinister plastic bags of Villalba with their great over-lifesize heads and body parts peering through transparent envelopes

Overall the Fair seems to justify its claims. It holds a balance between serious and frivolous, with the startling balanced by the deeply pondered. Semi-official manifestations like the British show with its slightly museum-like dignity and private demonstrations in the courtyard outside—a white hammock suspended from the balcony of the central court and occupied in the intervals from rain by its author or a keen gnome fancier—shades of Private Eye presumably—with white gnomes in little boxes and lengths of handprinted gnome stuffs.

Fun apart and art apart the Fair is effective and well-organised. Anyone who, in the words of a Press hand-out, "wants help in surveying this superabundance" — and who doesn't in the jungle of modern art?—will find it in clear layout, excellent exhibition catalogues and a friendly, encouraging atmosphere of museum and market-place side-by-side

Jurg Brodmann and Gunther Uecker: Violin in Case

GOLF: THE U.S. OPEN

Palmer in deep trouble

BY BEN WRIGHT

CHICAGO, June 20.

ARNOLD PALMER'S army of faithful followers assembled early here this morning at Medinah Country Club to follow their leader in the second round of the 75th U.S. Open Championship because the legendary Palmer brought in a first round 69 late on in the massive heat and humidity of yesterday.

He was the first of the leaders, being only two shots behind joint leaders Pat Fitzsimons and Tom Watson, who both scored 67 yesterday, and Jim Wiechers, who scored 68. Palmer was in a select quartet that included Peter Oosterhuis, Grier Jones and Lanny Wadkins, while Ben Crenshaw was only the eighth player to beat par, scoring 70.

Slow play

Of the illustrious late finishers yesterday defending champion Hale Irwin scored 74 and bemoaned the fact that it had taken him five and a half hours to do it. He recalled that he and his partner Gary Player, who scored 75, as did Johnny Miller, lay down in the fairways at times in a mixture of exhaustion and frustration.

The last player in to the clubhouse shortly before 8 o'clock was Australia's David Graham, notable for his slow play but blameless on this occasion, and furious at having taken five and three quarter hours. In the circimstances his level par 71 was a masterpiece.

If ever there was a perfect example of the vagaries of fortune at this exasperating game it was provided this morning by Palmer's threesome, which included Jerry Heard (77) and J. C. Snead (76).

The army was soon in marvellous voice when the "General" rolled in a 15-foot putt on the first green for a birdie three that took him to within one stroke of the late-starting leaders. At this stage Heard was struggling for his life.

Eight holes later Palmer had reached the turn in a horrifying 40 shots despite that opening birdie and Heard, who reeled off five consecutive birdies from the third hole onwards, had suddenly pulled past his partner and was out in 31, five under par, and only one over for the championship — back on the leader board instead of struggling to make the cut. Poor Palmer had gone from two under to two over, and the army was ready to disband.

It all started to happen at the third hole when Palmer pushed the first of several drives into the deep rough, pulled his second shot into a greenside bunker, and dropped his first stroke to par. Alongside him Heard dropped his putt from 25 feet at the last gasp for a birdie, and two shots had changed hands.

Chip into hole

Palmer's drive was worse at the fourth, fully 30 yards into the trees. He was on the green in three but failed to save his par from nine feet, while Heard, short in two up the hill, chipped straight into the hole from 40 yards for a three and a further two-stroke gain on his hapless partner.

At last Palmer hit the fairway at the long uphill fifth hole, 527 yards in length, but he pulled his second into the deep rough, pitched up well but missed from six feet. Heard, after two excellent wooden club shots, pitched inside his rival's ball and made the birdie to gain another stroke.

At the sixth hole Palmer was desperately lucky, in that his drive was going into a deep clump of trees when it was fortunate to hit one and stay in the deep rough. Somehow Palmer blasted the ball almost to the front edge of the green, but he chipped up woefully short, missed the putt, and Heard rolled in his from 15 feet for his fourth successive birdie and yet another two-stroke swing. So in the space of four holes he had picked up no fewer than seven shots on Palmer.

Still the end of this extraordinary turn-about was not yet in sight. Palmer was plainly unnerved now, and he skied his drive at the 594-yard seventh hole fully 50 yards behind the tee shots of his rivals. Yet again the second shot with wood was blocked into the trees, and with the pin set on the extreme right-hand side of the green Palmer's ball was caught in the branches and dragged down into a deep greenside bunker.

Palmer played an exquisite recovery stroke, but alas putted wide of the hole to the right from no more than three feet, while Heard pitched up superbly, and holed out from four feet for his birdie to gain another two strokes. When Palmer missed the green at the 205-yard eighth hole Heard took the opportunity to steal another stroke on him, but the rot was stopped when both men made their par fours at the ninth hole.

From the angle of the dramatic it had been an extraordinarily rewarding early morning walk, but one does not like to see the legendary Palmer suffering this kind of fate in the twilight of his illustrious career—he is 46 on September 10.

As the intense heat and humidity renewed its assault on everyone here, it was announced that 10,000 more tickets had been printed overnight because the gates had to be closed at mid-day yesterday when all the tickets printed—25,000 of them—had been sold to break all attendance records, since this figure does not include season tickets bought in advance. The temperature reached 95 degrees with not far from maximum humidity yesterday, and it is confidently expected to do so again to-day. But thankfully the expected thunderstorms are not part of the weather pattern forecast for the next three days.

National bomb squad urged to beat terrorists

A NATIONAL bombs squad is needed to defeat terrorism in Britain, a bombs disposal expert says in a book to be published next week.

Lt. Col. George Styles, who was awarded the George Cross for bomb disposal work in Ulster, also calls for more exchange of information between the Army and police in security matters.

Lt. Col. Styles, retired from the Army last year and now works as a consultant to industry in "bomb countermeasures." Speaking in Belfast he said that the Army and the police in Ulster formed an effective force.

Dirty pubs criticised

Public health officials have found faults in all except 33 of 159 public houses and hotels checked in the Bassetlaw district council's area of Nottinghamshire.

Toilet and washing facilities and general hygiene standards were criticised and councillors have decided to call for urgent improvements and the co-operation of licensees, breweries and the licensing justices.

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Egon Schiele

BY WILLIAM FEAVER

Egon Schiele died three days after his wife in October, 1918. He was 28, killed, like millions of others throughout the world by the Spanish flu. Looking back there is a frenzied mortality about his work, bodies laid out abandoned, haggard eyes, drowned hair. But this wasn't premonition so much as a graphic style, an approach derived from Gustav Klimt in the first place. Schiele's figure studies show flesh bared and sexual, parelleling Freud's soul-searchings and the musical writhings of early Berg and Schönberg. The exhibition of his drawings at Fischer Fine Art is a demonstration not only of his draughtsmanship but also of his ability to invest simple life studies with wider implications.

This is the basis of much Romanticism and all Expressionism: the power to convey emotional reactions in terms of style. Schiele's lines screech across the paper, effortless stretches giving way to sudden flurries and complexities. Watercolour is laid on thick and puddled, the mottled in-fill adding substance to the outlines, with dazzle contrasts of black stocking tops and white thighs and raven's wing tresses framing pallid faces.

Quite a few of the drawings have been shown before at Fischer's but several, which used to belong to Schiele's sister, have not been exhibited until now. They add no significant dimension to his work but, as is only to be expected, swell the number of variations on his central theme, the body displayed.

Schiele's work caused shock when it first appeared, for the usual full frontal reasons. It remains shocking in that it exposes its subject matter in a raw, private state, like Toulouse-Lautrec emboldened and embittered, Modigliani turned heartfelt, Kokoschka refined. None of these comparisons is entirely fair or accurate but they help establish Schiele's individuality. His strengths were those of a draughtsman. Colour and decorative ease were incidental; the intensity of his stare, his ability to turn the body into tortured, exhausted postures, the pose becoming the design, gave his work its special character.

Pre-war Vienna moods may have had something to do with it, the spirit of ferment ascribed to those times and the ambiguity of expression (is it fear in his subject's eyes, or rapture, ecstasy or boredom?) certainly played a large part in shaping Schiele's development. But as this was cut short, leaving his life's work little more than an average-length overture, there's no way of telling how he might have proceeded in the very different post-Imperial years.

His struggle for survival, against higher odds than those encountered by the average young artist, takes on tragic qualities by virtue of his death. His imprisonment on account of the "pornographic" nature of his paintings, in 1912, and his later, posthumous, condemnation as a Degenerate by the Nazis accentuates the passions invested in the works. Looking at them now the drawings still take one aback. The more strict the patterning the more the wiriness excites and the nakedness bristles. In the landscape drawings this energy slackens a little. Ebbing waters and mountain heights are no match for all those yawning thighs.

The best of the drawings in the present show, Two Women, for example, a study of sprawl and overlap and acute nonchalance, and Reclining Male Torso with Green Cloth, in which the man is mountainous, his body bent at right angles, are marvellously formalised.

It is possible to speculate on the way his work might have gone had he survived. It could have turned sweet with success. As it was Schiele was in no danger of becoming successful, and he didn't live long enough for his style to become a mannerism. With each exhibition and publication devoted to him—in monograph terms he is now outstripping Beardsley—Schiele becomes more established as one of the great 20th century draughtsmen. Perhaps his achievement tends to get exaggerated these days. He was no Matisse, but then he never had the chance. On the evidence of his work he had all that was needed for the development of a convincing form of expressionist realism. Had he lived he might have been more than a match for Munch.

Louis Armstrong anniversary concert

This year's Louis Armstrong Anniversary Concert at the Festival Hall takes place on what would have been the jazzman's 75th birthday, Friday, July 4.

A special bill to mark the occasion has been assembled.

Once again the "house band" will be that of Alex Welsh who has been associated with these concerts since they began in 1970. Playing solo trumpet will be Humphrey Lyttelton, who has also been on every one of the "Armstrong concerts." He will be backed by the National Youth Jazz Orchestra who this year celebrate their tenth anniversary. This will be their first appearance in the Festival Hall. They will be playing two works specially commissioned for the occasion by Neil Ardley and Harvey.

Completing the bill will be American cornet player "Wild Bill" Davison

Theatres this week

ALBERY—The Gay Lord Quex. Pinero's attractive comedy very prettily done; Judi Dench, Daniel Massey, Sian Phillips. Opened Monday.

ICA TERRACE—Sweet Talk. Wry and haunting comedy about West Indian immigrants, ably acted by a black cast. Opened Monday.

WIMBLEDON—The Last Romantic. Well written new comedy by Kerry Lee Crabbe. Conjures up an anglicised Chekhov atmosphere but does rather too little with it. Excellently played by the Actors' Company. Opened Tuesday.

QUEEN'S — Ardèle. Anouilh's black-edged piece rose about the reactions of a houseful of aristocrats engaged in illicit amours when one of the family forms an unsuitable liaison. Charles Gray, Coral Browne, Vincent Price lead the company. Opened Wednesday.

BUSH, Shepherd's Bush — Kitty Hawk. Amusing performance and production of a pretty flimsy comedy about two nutters who think they are the Wright brothers. Opened Wednesday.

MERMAID—The Merry Wives of Windsor. The comedy of the Fat Knight in love in an average production that would benefit from having a credibly jealous Ford. Interesting to see the splendid Elizabethan setting invaded in the last act by the Herne Oak, although the "fairy" effects are crude and old-fashioned. Peter Schofield as Falstaff and Toni Palmer as a mercenary Mistress Quickly. Opened Thursday.

FINANCIAL TIMES REPORT
Saturday June 21 1975

Kitchens

A good time to buy

THE KITCHEN furniture market is one that it is extraordinarily difficult to assess accurately. It is very fragmented, consisting of a few large companies (with Hygena very much in the lead, having some 22 per cent. of the market and followed by Wrighton 7.5 per cent., Grovewood 6 per cent., Eastham 4.7 per cent., Gower and Schreiber with 4.25 per cent. each), and nobody knows exactly how many hundreds of small ones, which has meant that the gathering of accurate statistics has been almost impossible. It is estimated that the total sales of kitchen furniture are likely to reach about £98m. this year, and even allowing for the fact that this shows almost no real growth since 1973 (when the figure was about £95m.) it is still a remarkably high level of sales when one looks back to the 1969 figure of only £24m.

If you ask the manufacturers how they see the current market the reactions are very mixed. Clearly some companies had become used to a phenomenal rate of growth—the most successful of them were doubling their sales every year up to 1973. The almost total lack of growth that followed took most of them by complete surprise.

However, since then the picture has brightened a little. Several firms insist that the market is holding up very well and say that although the cutback in building programmes has affected them this has been counter-balanced by the fact that many people with savings, finding themselves unable to "trade up" houses because of the state property market, have decided instead to improve their own house or flat.

The best way to do this is almost always to install a new kitchen, and the fact that nearly all building societies are ready to finance this kind of improvement has been a further incentive. Add to those factors the fear many people have that today's £600 kitchen will be £1,200 next year and it's easy to see why those who can are still buying new kitchens.

Finally, though some sections of the population are less well off, there are other sections that are becoming more and more prosperous—principally, to use the advertising world's description, the C1s and C2s, and these people are now financially able to move into the fitted kitchen market. This is where most firms see most potential for the future.

Quickly

Those manufacturers who are best placed to prosper at the moment are clearly those who have reacted quickly and constructively to the changed market circumstances. As one highly successful manufacturer of appliances put it to me: "Two years ago we were riding on the crest of the wave; now our increased business will have to be at the expense of our competitors." To do this is going to require ingenuity and a great deal of hard work.

One of the most striking developments has been the move into assemble-it-yourself units. Hygena, which is, as I said earlier, our largest kitchen manufacturing company, has until now had its QA (Quick Assembly) range at the cheapest end of the spectrum and its stunning up-market 2000 at the top end. The company has now introduced The Continental, which is an assemble-it-yourself system that it describes as aimed at "the luxury end of the middle market." This would seem to mean two things—those people who are already in the do-it-yourself world are wanting goods of higher quality, and those who were accustomed to high quality would rather sacrifice their own time and labour than the quality of the goods.

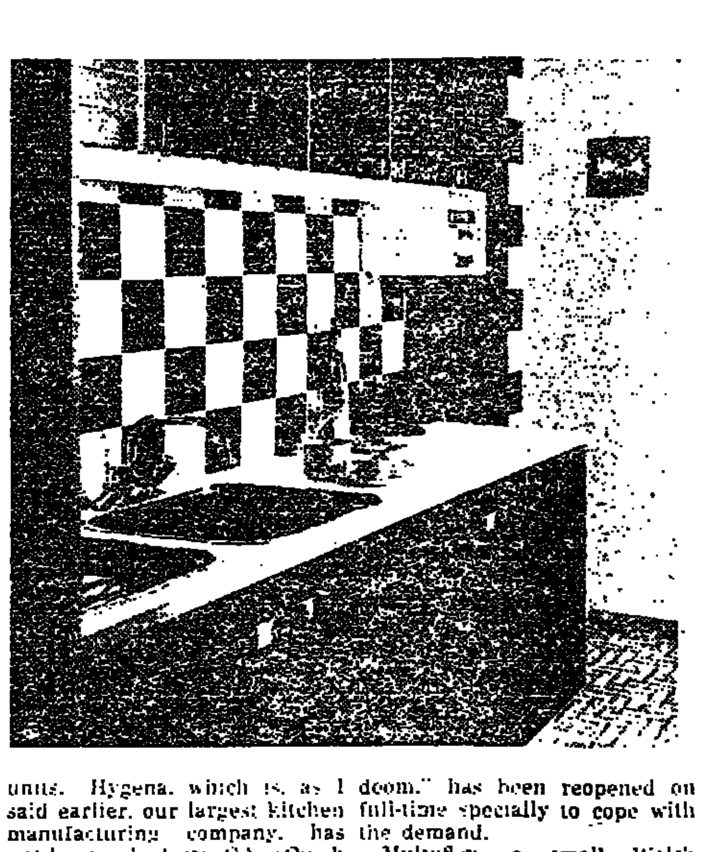
So successful has the Hygena launch been that its Worcester factory, which had been run down with a view to closure in the early days of "gloom and doom," has been reopened on full-time specially to cope with the demand.

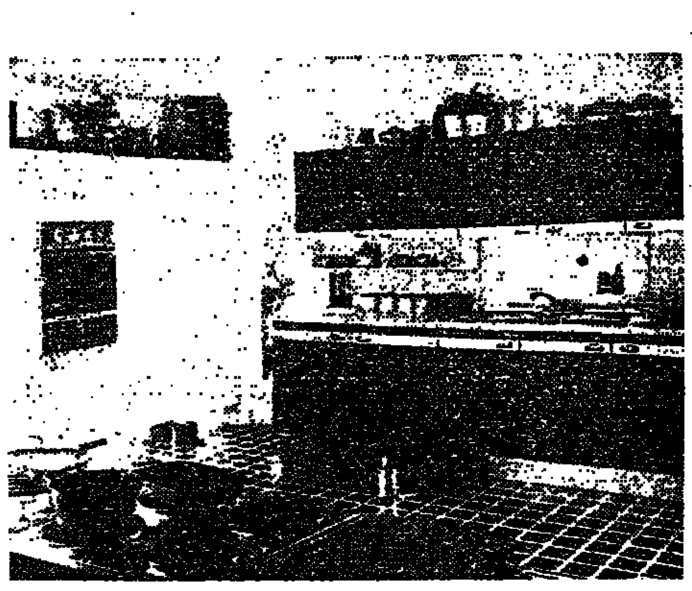
Multyflex, a small Welsh firm, catering mainly for the upper end of the market (and which, incidentally, declares that its super-luxury Connoisseur kitchen launched at the Ideal Home Show in March, is doing exceedingly well) has also just introduced its version of the luxury assemble-it-yourself kitchen. In this case the firm has produced an exact copy of its black platinum solid timber model and produced it in an easy to assemble form that costs a third less. Needless to say, it is going exceedingly well.

The Gas Council has got in on the act, too, with its own GasPlan range of self-assembly units.

Other firms have adapted to the changed circumstances by a change in marketing and retailing methods. Most people seem agreed that the retailing of kitchens in Britain on the whole leaves a lot to be desired. About 90 per cent. of kitchen units are bought through builders' merchants, but nobody is absolutely sure how the decisions about which range is to be bought are taken. Much advice is given by the many popular magazines, and there is a lot of evidence that they are a very important influence.

The average builders' merchant is not well geared up to give advice on the intricacies of all the numerous ranges he carries, and so there is now a greater feeling that the way to improve the selling of kitchens is through specialised kitchen showrooms — this should not only benefit the manufacturer who, by restricting his outlets, should be able to insure a higher calibre of sales staff who are totally involved and very knowledgeable, but should also help the customer who should get much more helpful, informed advice. Instead of going to centres where up to 15 or 20 kitchens are badly or inadequately shown, a customer would be able to go to specialised centres where one or two kitchens are shown in all their versatility.





Above: Hygena's latest range of units, the Continental; the units shown here cost £595 + VAT.

Left: The Multyflex solid timber self assembly units shown would cost £422, compared with a price of £604 if ordered made-to-measure.

Complex

Hand in hand with this movement has been the realisation that a kitchen is a complex room involving many different problems (electricity, plumbing, tiling, etc.) and that the real service the customer needs is the skills of a firm that can deal with and solve them all. The specialised firms that offer this kind of service (Heal's, Harrods, Boffi, the Italian kitchen firm Bauknecht, and so on) are all at the upper end of the market and often suffer from the attempts of less scrupulous firms to undercut the products without explaining the lack of services they do or do not supply.

The growing popularity of split-level cooking arrangements made this reciprocity of effort inevitable and this trend has remained quite marked. Whereas only four years ago only 4 per cent. of new cookers sold were split-level arrangements, now 24 per cent. of all cookers bought are split-level and the growth shows no signs of abating.

Following on from this proposition it obviously became necessary for kitchen furniture manufacturers to link closely with appliance manufacturers, and vice-versa. GasPlan, the Gas Council's self-assembly units, arose directly from the realisation that, as the sales of split-level cooking units were rising so rapidly, it was obviously sensible to be able to offer the surrounding cabinet as well. Since some 92 per cent. of gas cooking appliances are sold through Gas Board showrooms, they had a useful way of selling the cabinets, and so successful has the enterprise proved that now, some eight months since GasPlan was launched, 82 per cent. of gas-fired cooking appliances are sold in association with some GasPlan units.

Electrolux is another firm which decided to take advantage of the fact that as it was selling many kitchen appliances and had a good distribution network it might as well use it more comprehensively and add a kitchen cabinet to the range, making the whole enterprise more rounded.

Almost every major manufacturer, whether of cabinets or appliances, now either makes his own equipment and cabinets or has linked up with another firm in order to be able to offer the "complete" kitchen.

Though comparatively new to Britain, this sort of complete kitchen has been the standard way of selling kitchens for years, and it is one of the many things British manufacturers have learned from them. Though continental kitchens seem to attract a very large proportion of attention it is generally agreed that no single importer is doing more than £2m. worth of business and that between them they have between 10 and 15 per cent. of the market.

Superior

Nearly everybody agrees that in terms of finish, design, quality and versatility of arrangements, the best of the Continental kitchens are superior to most of our British ones, and it is certainly true that many of the best of our British ones are often quite obvious copies of known Continental ranges. However, the customer pays very heavily for the refinements—one manufacturer calculated that a range of identical cabinets would cost £550 from a top British range, while an identical run of units would cost at least £750 and possibly £900 from one of the top Continental rivals.

There are mixed feelings about whether this luxury end of the business can continue to expand—most British manufacturers are banking on the expansion of the middle ground but many of the Continental importers are convinced that the quality of their product must be recognised and appreciated in the end. Certainly now that nothing is cheap any longer and even the shoddy has become expensive, there is a case to be made for buying the best that you can afford.

Lucia van der Post

How to spend it

Lucia van der Post

A fine Finnish

FOR those who think of Finland as a dark Northern country of snow and ice it may seem odd to choose to write about Finland in the midst of summer. But there are those who think that the true Finn only really comes alive in the summer and to-day is Midsummer day in Finland, a day when the celebrations, like the sun, have no end and when the Finn is more alive than any other day of the year.

Finland in the summer is a magical place and every Finn seems instinctively to know how to make the most of it. Large numbers of them have a summer place, a wooden hut or cottage on an island or by a lake, where they can escape (the Finnish obsession seems to be to get away from people) and where they can be at peace. I hope nobody has any urgent business to do in Finland just now because if he goes there it will seem as if the whole of Finland were closed. The more important business of celebrating summer is on.

In a country where the sun is so sought after, where it provides such brief, magical relief from the harsh winter, it is not surprising that this sun-worship seems to influence every facet of Finnish design. For winter means that up to seven months a year are spent mainly indoors and as if to pretend that winter isn't really there, the Finnish designer manages to conjure up a gay, informal, colourful world inside.

In Finland no item or household product is thought too small or too unworthy to be properly designed. If it is a nail or a simple cup, it should be made as well as it can be made and it should give as much pleasure to the user as it possibly can. And it is this quality of thought and care that has made the influence of a country as small as Finland (it has, after all, only just over 4,000,000 people) felt all over the world.

They realised early that because they were small they couldn't compete with the large industrial countries in terms of mass-production, of industrial quantity. What they would have to do, they decided, was to concentrate on quality, on uniqueness, on flair and this they have done resoundingly well.

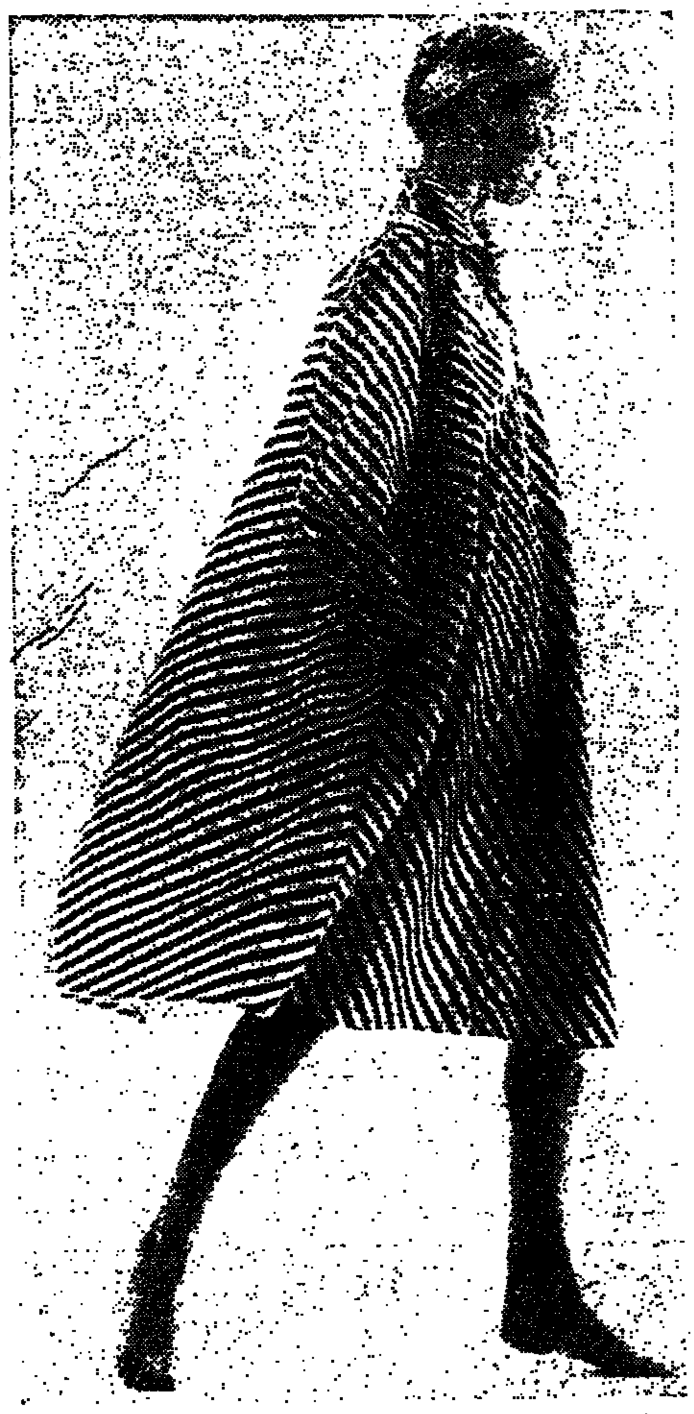
The name of Marimekko sums up much of what Finnish design is all about. The world she conjures up is one of colourful informality. Her designs are simple but far from sterile (something that couldn't be said about all Scandinavian design), they are totally without pretension but that doesn't mean they have no style. They are designs for everybody which in Finland means they are universally wearable and universally liked—not that they are cheap or second-best.

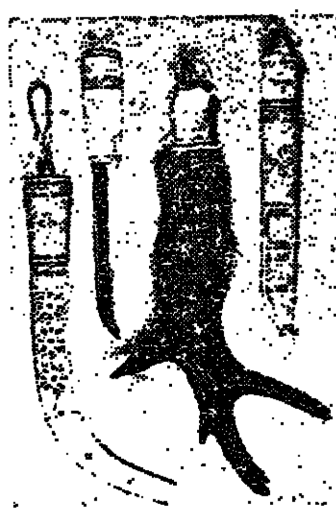
Over here the Finnish names to look out for are Marimekko and Vuokko for clothes and textiles, Arabia for china, Asko for furniture, Lapoonia for jewellery.

If you are lucky enough to be able to go to Finland yourself I think the best things to bring back are the simple, hand-made everyday items just like the ones that have been used in Finnish homes for hundreds of years.

Every Finn has his own Puukko, an all-purpose knife which he uses for work in the forest, for cleaning fish, cutting cheese, household chores. There are plenty of traditional Puukkos to be found but Tapio Wirkkala designed a stunning modern version for Hackmans a few years ago. There are also long fish knives for dealing with salmon. Down in the market-place round the harbour in Helsinki these sort of things are often to be found.

Look out, too, for the traditional red clay pots that have been used for generations to hold house-plants, wooden spoons of all sorts and a flat, simple wooden butter knife that appears on almost every Finnish table.





RIGHT UP IN the Arctic in one of the northernmost towns in the world live two marvellous sisters, the Lauri sisters, who have devoted their lives to carrying on the work begun by their father — that of encouraging the Lapps to have a pride in their own crafts and traditions and to prevent these ancients arts from dying out. The firm their father started is called Lauri and it encourages and creates and then sells the old, traditional Lappish artefacts, many of which are extraordinarily beautiful and practical.

On the left is a collection of Lapp knives — they have strong bone handles, often beautifully and intricately decorated, with steel blades and highly decorated sheaths of skin. The knife plays a vital part in Lappish culture.

Right, are a collection of Lapp all-purpose spoons, skillfully carved and decorated from reindeer horn. They are more than just utilitarian utensils, they are works of art. Unfortunately the Lauri firm is not represented over here but anybody visiting Finland should look out for their things —they are much more beautiful and much more truly "Lapp" than many of the more prominently displayed tourist eye-catchers.

Though Finnish designs are always thought of as being extremly practical and functional there is a strong streak of fantasy running throughout all sections of the design world, from the "frozen ice" glasses of Tapio Wirkkala to this Mustang designed by Eero Aarnio for Asko, the famous Finnish furniture firm. Half seating unit, half toy, the mustang is a delightfully desirable piece of fantasy. It may be covered in a variety of fabrics in a variety of colours like turquoise, apple green, tangerine or dark navy. Price for a canvas version starts at £215 and goes up to about £234 for a cotton-backed Polyurethane fabric. There is a 12-week delivery on them and they can be seen and ordered from the Asko showroom, 4th floor at Waring and Gillow, 188, Regent Street, London, W.1.

THE outstanding quality of Fininsh clothes is that they manage to combine simplicity with style, that they convey an air of happy informality without any hint of sloppiness. They are above all, clothes for all seasons. Vuokko is one of the most famous Finnish names to look out for.

Vuokko clothes are made from pure fabrics like cotton or wool and they are designed above all to be worn with ease, so that once dressed the wearer can get on with the business of living.

Summing up the Vuokko philosophy of dressing is this cotton summer shirt-dress. Very easy to wear, flattering to almost all shapes and sizes, it is made of 100 per cent. cotton, comes in blue, grey, brown, red or green stripes, and is available to order from Simpsons of Piccadilly, London, W.1. It will sell for £28. Peter Jones of Sloane Square also stock some Vuokko clothes.

'FINNISH DESIGN but not Hand Made' is the slogan that is used to sell the UPO range of furniture in Finland.

Upo was designed to be light, easily portable, and cheap. It is a small range of ABS carton-packed furniture, consisting of chairs, tables and a storage system. Though I think it looks best in a bright, clear red it is in brown and white that most stores over here have bought it.

The chairs are £13.60 each, the table (58½" long by 33½" wide) is £50.00. They are available from Beatties of Wolverhampton, Copenhagen Furniture of Fulham, and many other stockists which are available from UPO (U.K.), 73, Upper Richmond Road, London S.W.18.

Art in aid

NOT MANY of us are fortunate enough to know a great deal about Ethiopian art but most of us cannot have escaped reading about many of their recent tragedies. Margot Francesconi, who runs the Bedford House Gallery at 106, Kensington Church Street, London, W.8, has recently been in Ethiopia where she collected a large selection of contemporary Ethiopian art. Though most of it is modern it is nonetheless in the main stream of traditional Ethiopian painting and therefore captures something of the colour and flavour of that country.

Most of them are full of religious allusion, and feature typically Ethiopian themes like saints, traditional battle scenes, the Last Supper and, as can be seen in the poster photographed right, Daniel with the lions from the den at his feet and the traditional silver embroidery on his robe.

Many of the paintings are on parchments, others are on animal skin, but all are uniquely colourful. Prices range from £20 to £200 and 30 per cent. of the takings will go to Christian Relief and Development Association, Addis Ababa. For those who can't afford the minimum £20 for the cheapest paintings in the exhibition this poster of Daniel (15 ins. x 20 ins.) is being sold for £1.20 in the gallery or £1.50 by post. It is very unusual and would make an attractive addition to anybody's walls.

Freddie Mansfield

I DO NOT regard myself as an expert in the nuances of the men's tailoring world so I was not at all surprised that C. & A.'s excitement over their new "unstructured" suits did not mean a great deal to me. However, I have since learned that they do not mean a great deal to anybody else either so I had better explain.

Unstructured suits are, apparently, the coming thing for a multitude of what the trade call "leisure occasions." Unstructured suits, they wax on, bridge the gap between formal suits and leisurewear.

What all this means in practice is that you get a suit which is not formal enough for most people's offices (in other words a tie does not really fit in with them) but is suitable for the sort of weather and leisure activities that are most common in Britain.

The suits themselves are tailored but unlined, though there is usually a buggy lining, which is a lining across the shoulders.

The suits are intended to be cooler than ordinary lined suits but not less well-made. Because there is no lining the finishing inside the garments has to be done very carefully and this means that they aren't always cheaper than conservative suits.

However the latest batch of unstructured suits at C & A seem to me to be very reasonably priced-indeed and I happen to think this important because in our climate when light-weight, coolish suits do not get a great deal of wear a high outlay is not justified.

LEFT: This suit is made from a good quality 100 per cent. cotton denim and comes in two colours, olive green or oatmeal. It is washable or can be dry cleaned and comes in sizes 36 inch to 44 inch chest. £18.95 from all C & A branches now. The polyester cotton shirt worn with it is £1.75.

RIGHT: This safari suit is made only in light blue and the fabric is 50 per cent polyester and 50 per cent. cotton and is completely washable. It comes in chest sizes 34 inch to 46 inch and is the amazing price of £10.95 and is available from all but the smallest of the C & A branches.

Short listed

BUYERS and Sellers are two shops that specialise in selling some large household goods at very much reduced prices. The products usually have some small degree of damage, like dents or scratches which are visible and prevent them being sold at full-price but do not in any way affect their working efficiency.

The main stock consists of fridges and freezers but there are also dishwashers, washing machines and, particularly interesting to those going on camping holidays, there is now a consignment of portable loos (£27 as opposed to the usual retail price of £47) and portable Gaz Heaters (£27.50 as opposed to £37.50).

Buyers and Sellers operate a 48-hour delivery service and their charges range from £1.50 for Inner London to £5 for the Home Counties. For those who live further afield they will send by British Rail.

They recommend that if you have something very particular in mind you telephone them before visiting either shop to make sure of price and whether it is in stock. Tel. 01-229 1947.

To give you some idea of the price reductions a 14 cu.-ft. Electrolux chest freezer normally selling for £227.78 costs £124.95 at Buyers and Sellers.

Buyers and Sellers has two shops. One is at 120, Ladbroke Grove, London, W.10, the other is at 72, Uxbridge Road, London, W.12. Both are open from 9 to 5.30, Monday to Saturday, with an early closing day at 12.30 on Thursdays.

ONE OF the less attractive aspects of summer is the buzzing of small insects and for those who are an inevitable target for their unwelcome attentions it is well worth trying one of the several remedies now on the market.

Cucina of 8, Englands Lane, London, N.W.3, sell a candle that contains a perfumed insecticide so that you can eat out of doors in peace in the evening. The candle costs 66p (they'll send by post for 20p extra).

Alternatively you could make your own candle using an addition of perfumed insecticide. Candle Makers Supplies of 4, Beaconsfield Terrace Road, London, W.14, supply all the ingredients and the instructions. A ½-oz bottle of perfumed insecticide costs 34p (p+p 10p) and one bottle will provide enough for 12 candles. Write to Candle Makers Supplies, enclosing an SAE for a catalogue.

An old-fashioned remedy is Citronella which is sold by the ½-oz bottle by Jacksons of 172, Piccadilly, London, W.1. A dab of Citronella on neck or wrist should keep the midges well away: 55p (10p p+p).

Last year I mentioned the Moziquit and many readers tried it out with great success. It's a battery-operated device about the size of a packet of cigarettes that emits a high-toned buzz which is hardly noticeable to the human ear but which keeps mosquitoes away. Apparently it works by being tuned to the frequency of a bat, of which rodent mosquitoes are mortally afraid. The Moziquit is £6.95 (p+p 15p) from Jacksons of Piccadilly, London, W.1.

CHESS

By LEONARD BARDEN

ONE SIGN of the world-wide growth of chess in recent years is the sharp rise in standards in Asia and Australia, whose players were only ten years ago very much the poor relations of international tournaments. Generous State and industrial backing has been a primary cause.

President Ferdinand Marcos of the Phillippines, whose $5m. offer failed to tempt Bobby Fischer, has staged important grandmaster events in Manila and raised chess to the status of a national sport. At last year's Nice Olympics, the Philippine top board Torre defeated several grandmasters, became a grandmaster himself, and on his return home was voted among the "ten sexiest sportsmen of the year."

At the recent Asian team championship held in Malaysia, the Philippines (this time without Torre, starring in a film) won by half a point from Australia, who also performed with notable success at Nice and where one enterprising sponsor recently arranged for ex-world champion Tal, playing in Moscow, to meet the Australian national team in a telex match.

This week's game, taken from the Asian team event, is an impressive example of how the Filipino masters are up to date even in a fashionable opening system which has been analysed in great depth in Europe.

The Sicilian Sozin by Harding, Botterill and Kottnauer is the title of a recent volume in the Batsford series and is entirely devoted to the aggressive lines where White develops his king's bishop on QB4 and then goes for the black king. Black has many resources (even Fischer came unstuck when he played the attack against Larsen), but here the little-known master with White is not only primed with current theory but also has a home-brewed novelty prepared in a key line.

White: G. Bordonada (Philippines). Black: I. Haruyama (Japan). Asian team championship, Malaysia 1975. Opening: Sicilian Defence.

The opening moves were 1 P-K4, P-QB4; 2 N-KB3, N-QB3; 3 P-Q4, PxP; 4 NxP, N-B3; 5 N-QB3, P-Q3; 6 B-QB4, P-K3; 7 B-K3, B-K2; 8 Q-K2, P-QR3; 9 0-0-0, Q-B2; 10 KR-N1.

This opening, with its uncompromising battle lines, is one of the most dangerous attacking methods against the Sicilian. White intends to castle queen's side, advance his KNP, and open up the black king irrespective of whether Black has castled or kept his king in the centre. Black has counter-chances against the white king, and to play the opening, either as White or Black, means making your own judgement on whether White is likely to over-reach.

Play continued 10 . . . 0-0.

The other main idea for Black is to start his counterplay at once—by P-QN4, by N-QR4, or by NxN followed by P-QN4.

White now attacked by 11 P-KN4, P-QN4; 12 B-N3, NxN ?

This could well be a mistake. Experience suggests that Black should rather try to exchange the white bishop by 12 . . . N-QR4, e.g. 13 P-N5, NxB ch; 14 RPxN, N-Q2; when in some lines Black can play a peculiar but effective gambit sacrificing his KRP (to White's queen and rook) but getting strong play down the QB file.

13 BxN, N-Q2; 14 P-N5, N-B4; 15 Q-R5, B-N2.

One indication of White's attacking possibilities is the spectacular variation 15 . . . P-N5?; 16 B-B6, PxN? 17 Q-R6! and wins

16 R-N4!

In a previous game White played 16 B-B6 but Black got out of trouble by 16 . . . KR-B1! Bordonada's improvement, obviously home-brewed back in Manila, is intended both to protect the white KP and attack the black KRP.

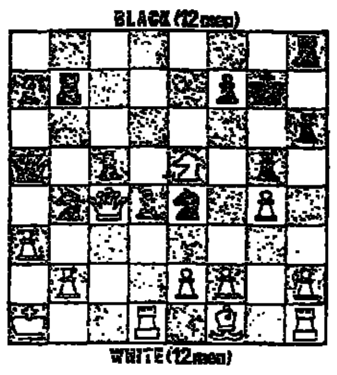
16 . . . KR-B1; 17 R-R4, BxKP.

Hoping for 18 NxB ? NxB ch and mate next move, but White is ready for this and now quickly proves that his attack is decisive.

The game ended 18 RxB! NxB ch; 19 RPxN, P-N5; 20 BxP! PxN; 21 BxP, Q-B4; 22 R-KB4, P-B3; 23 R-N1, K-B1; 24 QxP, Resigns.

POSITION No. 67

BLACK (12 men)



WHITE (12 men)

Black to move: how should he continue? Black clearly has a fine game, but you need a sharp tactical eye to spot the finish.

PROBLEM No. 67

BLACK (3 men)

WHITE (4 men)

White mates in three moves at the latest, against any defence (by C. S. Kipping, 1911). A game-like position, but solved by a problem-style key.

Solutions Page 9

Property and housing

Council rents we cannot afford

BY JOE RENNISON

IN A SPEECH earlier this week the Secretary of State for the Environment, Mr. Anthony Crosland, said he was determined that certain sacred cows of housing policy must be slaughtered if the country is to achieve a decent level of housing and if the finance necessary for that housing is to be extracted from the taxpayer in an equitable fashion. It will be interesting to see which of the beasts must first be taken to the sacrificial altar.

In a rambling and quasi-philosophical speech on the state of the country's housing finance generally, he gave no hint of which might be first. But there was the feeling that we must all pay more for the roof over our heads. In an economic situation of raging inflation there can be little doubt about this. But it is a pity that he did not spell out exactly who is to pay for what and how much.

Without explicitly stating it, the Minister suggested that there might be a reduction in subsidies for all kinds of householders all round. It can only be presumed that he was hinting at a reduction in the amount of tax relief that the owner-occupier will be eligible for in future on his mortgage. And, one presumes that the occupier of a council dwelling will also have to pay more for his accommodation.

Mr. Crosland said, however, that there must be a continuing measure of public subsidy in housing. The definition of the word subsidy is crucial. One might agree that there has to be a certain amount of public expenditure—but public subsidy and waste of money are another matter. That the housing subsidy will eventually be cut to something like a more reasonable level has already been made clear by the Minister.

It could be said that with the hints of further drastic measures to come, it was a courageous speech. Mr. Crosland can expect to make political enemies whichever way he jumps. He will lose the vote of the Labour owner-occupier and possibly the vote of the Labour council tenant. It is probably the latter that he is most worried about.

He put the essence of the matter in this way: "The problem here is in large measure that of the growing polarisation between owner-occupiers on the one hand and council tenants on the other. Each has an entirely different stream of costs and benefits. Each has a different set of arrangements for access. Each has different arrangements for maintenance and management. Once a family has entered one system or the other they tend to be locked in: the obstacles to movement are great."

With respect to the Minister this is not so. The financial difficulties are in some cases very similar for both sides of the fence—but usually not, for there is a subtle difference in that too often the council tenant knows only too well when he is extremely well off.

Mr. Crosland and his Housing Finance Review Committee, now seeking a new approach to the way we pay for our housing, must really look deeply into the question of subsidies. There can be little doubt—indeed no doubt—that the amount of public money spent on subsidies for the council tenant is far greater than that provided through tax relief for the man buying his own house. All the statistics provided so far have proved this point. There can be no doubt also that subsidies have reached excessive proportions and must be reduced: if the tax subsidy for the better off in the private sector must be reduced, then that is fair enough.

In the way that council housing finance can be brought to the brink of madness I use the example of London's Islington Borough Council. The figures in the tables speak for themselves. But there are certain points that can be emphasised.

I should emphasise that there are some councils that are better at financial judging than Islington and some that are worse. Perhaps the most notable point is the amount of income that the average tenant is paying as a percentage of household income. It has been reduced from 17.5 per cent in 1968 when average income per household was £21.12 to 10.2 per cent now when average income is £54.80. The fact that people are now paying less in real terms for their accommodation must be investigated.

Rental income

The rental income as a proportion of the Housing Revenue Account has fallen from 55.3 per cent. in 1967-68 to 27 per cent in the current year. This figure is bound to fall even further since with a programme of new housing under way these new houses will represent a greater amount of the total bill since they will not be showing a "profit" that some of the older properties are producing.

What is not shown is that the rental income only just covers the day-to-day running of existing council estates. And when the wage rises for local government workers come into effect in July the gap will have been virtually closed. So rents will then cover only maintenance and add nothing towards forward planning or construction.

In April this year the domestic rate in Islington rose by 47.3 per cent. It is estimated that, given no growth in services (except those already committed), the rates next year will have to rise by a further 50 per cent.

Rents in Islington were last increased in November 1973 (but one has to admit this included one year of the official rent freeze). The Council is still debating whether there will be an increase and what the amount should be. The earliest any increase could be implemented would be October 1. Was the 1972 Housing Finance Act the mistake its opponents claim?

Rent as proportion of Housing Revenue Account

	1957-68 %	1968-69 %	1974-75 %	1975-76 %
Rents	55.3	50.0	32.0	27.0
Exchequer Subsidies	27.9	22.3	51.6	54.0
General Rate Fund	16.8	27.7	16.4	19.0
	100.0	100.0	100.0	100.0

Income Levels

	Average Weekly Rent £	Average Weekly Household Income £	Average Rent as % of Average Income %
1968	3.70	21.12	17.5
1975	5.60	54.80	10.2

Funding of Housing Expenditure

Assuming capital cost of new dwelling: £26,000
Revenue cost to the Council: £3,140 per annum, £60 per week

Income:	Per Annum £	Per Week £	%
Rent	360	7	12
Exchequer Subsidy	1,920	37	61
Rate Fund	860	16	27
	3,140	60	100

Current Rates Payments by Council Tenants

Size of Dwellings Bedrooms	General and Water Rate Charge Per Week Lowest £	Average £	Highest £
1	1.48	2.57	3.11
2	1.76	3.02	3.69
3	2.13	3.47	4.37

Cautious optimism in the south

A CAUTIOUSLY optimistic view of the middle price house market comes this week in the half-yearly report of Jackson and Jackson who operate in south Hampshire. It is very cautious and very realistic compared with some of the reports from some agents in recent weeks. It strikes me as being one of the most balanced views of this sector of the market to appear so far.

After the dark days of 1974 Paul Jackson reports that 1975 started on a far more optimistic note than he could have dared to hope for. A return of confidence in the Stock Market has provided a much needed boost in the market for houses up to about £40,000. He finds it difficult to understand the reason for the improvement considering that we are still facing severe economic problems and excessive inflation. Perhaps it is that people realise that bricks and mortar remain a safe investment.

House hunters seem to have changed their priorities when looking for houses over the past 18 months. They take particular care over the conservation of energy and the running costs of properties and are more careful over the type of central heating that has been installed and whether there is double glazing. There is also a renewed interest in bungalows and flats where the cost of maintenance will be low.

Trading down

In the New Forest typical cottages with 2/3 bedrooms priced between £16,000 and £25,000 remain popular and they are selling well. In many cases these are to vendors of much larger houses who want to remain in the area but are having to cut costs.

This "trading down" is a sign of the times and has been reported by other agents from many parts of the country.

On the question of prices in general, Mr. Jackson makes it quite plain that there has been no noticeable increase over the last six months. But there has been an increase in the number of houses bought and sold. The impasse between buyer and seller seems at last to be breaking. No price increase is anticipated, however, until the enormous backlog of property on the market has been sold.

If the present rate of selling continues, there could be within the next 12 months rapid rises particularly for new houses where building costs have risen dramatically over the last two years. Mr. Jackson also sees the position occurring where the 3/4 bedroom houses that are easy to run will be much more valuable than the 6/8 bedroom country property. He does not see any substantial increase in the values of these larger properties which cost a fortune to run. As he puts it: "These properties may never see a return to the glories of 1973."

But there is still some hope for some of these larger properties since many are being bought at fair prices, divided into self-contained units which are sold off separately.

On the methods of selling houses, he says that there is little case for recommending sale by auction since as good if not better prices are being obtained through private treaty. But this situation could change if "as we are bound to one day" return to a sellers' market.

On the question of land Mr. Jackson reports virtually no market. Building land in the area is now selling for 75 per cent. less than it was this time two years ago. There is a little more interest in agricultural land but it is now selling at between £475 and £520 an acre which is half the price of two years ago. There is no sign of any increase in price.

Mr. Jackson ends his report with a hope and a prayer rather than with what could be described as optimism. "With a substantial 'Yes' vote in the recent Referendum we hope that the next six months will see a permanent restoration of confidence in this country, its money market and its property market and a slowing down in the rate of inflation which is running at a record level. All these factors will then contribute to a much more lasting improvement in the house market."

HOME NEWS

'Healey's spending main source of inflation'

By John Hunt

SIR KEITH JOSEPH, Conservative spokesman for policy and research, claimed last night that the present rate of inflation had been caused by Mr. Denis Healey, the Chancellor of the Exchequer, allowing public spending to rise so that the Labour Government could win the General Election last October.

Speaking in support of the Tory candidate in the Woolwich West by-election, he accused Mr. Healey of being the most inflationary Chancellor yet known. If he had not thrown public spending restraint to the winds, inflation would be sharply down by now instead of running at more than 25 per cent. a year.

Mr. Healey's "spending spree" had won the last election and so provided the finance for Mr. Wedgwood Benn's *policies*.

Sir Keith rejected any talks of a coalition between the two parties. He said there were substantial differences between them and that any talk of moderate Socialists was a contradiction in terms. What the Conservatives had to do was to put forward their own realistic policies.

Mr. *Enoch Powell MP (UUU* Down S.), in a speech to Young Conservatives at Arundel accused *party politicians of conspiring to* hide the true reasons for inflation from the people "while the nation sweeps, like a vessel out of control, towards the economic Niagara."

Inflation could be remedied only by reducing the surfeit of money. He condemned any return to a statutory incomes policy and said that both parties were divided on this.

The Conservatives were not speaking out about the true remedies for inflation, he said, but were hoping to lay the blame on the Government without taking any responsibility.

Rising unemployment 'will mean £368m. loss for NI Fund'

BY ERIC SHORT

RISING unemployment in the U.K. will result in the National Insurance Fund incurring a substantial deficit in the present financial year, the Government Actuary estimates.

The actuary forecasts in his report on the draft of the Social Security Benefits Up-rating Order 1975—which introduces the new levels of social security benefits from November—a shortfall of £368m. in the fund for 1975-76, compared with his previous estimate in November of a surplus of £268m.

The reasons for this turnround, the report says, is that first, the November estimate did not take *any account of the forthcoming* uprating in benefits. This item was expected to cost the fund an *additional* £338m. this year.

Secondly, all Government accounting was on a cash basis. Consequently the change in contribution collection last April from a weekly to a monthly basis would lead to an estimated short*fall in income this year* of £315m. But some £250m. of this amount would be a once and *for* all deficit.

Also, on Government instructions, the actuary had assumed that the number of unemployed over the year would average 850,000 compared with 650,000 assumed in his previous report. This had a compound effect on the finances of the fund. It *increased the amount of benefit* paid and also decreased the contributions received.

The report estimates that this increase in the number of unemployed would raise the deficit by £210m. and that a further increase in the number of 100,000 would cost the fund an additional £115m.

Two other items made minor contributions to the overall position. The limit which retired persons could earn without forfeit was lifted from £13 to £20 per week. This would reduce *contributions by £60m. Finally,* the estimated costs of running the fund had been lifted by a *further* £40m.

Now that the contributions of the fund were on an earnings-*related basis*, it would be expected that the finances would be self-balancing. This was not *so for two reasons.*

The scheme was only partially earnings-related as there was a £69 a week ceiling on earnings on which contributions were charged.

This ceiling was fixed at the beginning of the *year and* at present could be changed only annually.

Secondly, the Government Actuary had assumed that average earnings would increase at 17½ per cent. a year. This looked unlikely in view of the 30 per cent. wage inflation.

BR £120m. shops and offices plan for stations

By John Trafford, Property Editor

A *COMPREHENSIVE redevelopment* plan for Liverpool Street and Broad Street stations in the City of London, *was unveiled by* British Rail yesterday, comprising a new railway terminus and offices, shops and a hotel.

If approved by the planning authorities, it will take ten years to complete, starting in 1978, and would cost £120m. at to-day's prices.

The *project* is unique in the City and by far the biggest undertaken by the British Rail Property Board. It envisages replacing the existing 18-platform Liverpool Street station and Broad Street station with a single 22-platform station with one large concourse offering improved access to London Transport train and bus *services*.

Two extra tracks will be laid from Bethnal Green Junction and a new curve built at Hackney Downs station to allow BR to run the present Broad Street station *services into the new station* via Bethnal Green.

The commercial viability of *the scheme depends on acceptance* of BR's proposal to build 840,000 square feet net of office *space (equivalent* to the Office Development Permit figure of 1.11m. square feet gross already granted).

New office construction at the main London termini was specially excluded from the GLC's ban on new offices in central London, but this aspect of the redevelopment is still likely to be the most contentious—and vital.

Mr. Robert Lawrence, chairman of the British Rail Property Board, said yesterday that the commercial development would cost £70m. It would help to meet the cost of the new station and associated railway works as well as improve the revenue from British Rail's property interests. He would not be drawn on how the project *would be financed*.

On the 25-acre site BR also proposes to build two new hotel *wings of 132 bedrooms.* Each will connect with the existing Abercorn Rooms, which are *being retained*

A new shopping centre with large and small shops will also *be included, but there* will be no housing. BR takes the view that "other amenities of a social *nature" would be more effective.*

Engineering orders reflect recession

BY KENNETH GOODING, INDUSTRIAL CORRESPONDENT

NEW ORDERS *from the* home market for the U.K. engineering industry in the first quarter of this year were close to the lowest level of new business recorded since the present engineering indices were started in 1969.

This is further evidence that the industry was well on the way to recession at the beginning of this year. The total of new orders had fallen for the ninth successive month by March.

Reporting the latest provisional trend estimates, the Department of Industry's Trade and Industry magazine makes the point that the pattern of new orders from both home and overseas during the past three or four months suggests that some levelling out, or at least a reduction in the rate of decline, is now appearing in the statistics.

Its optimistic attitude also extends to the orders-on-hand situation. Orders on hand fell by 5 per cent. between December and March, with home and export order books showing similar rates of decline, but "the levels of orders-on-hand continue fairly high," says the department.

For the home market they are 20 per cent. to 25 per cent. above the early-1971 level, when the engineering demand cycle was near the bottom of the "trough," while export order books are still more than 30 per cent. higher than the low levels recorded in 1971 and 1972.

During the first quarter of this *year the volume of home new* orders was lower by 6 per cent. while that for export new orders *was down 1 per cent.*

So far this year there has been no sign of a recovery in home *market ordering, according to* some of the major engineering groups. Inflation alone is eating up *most of the cash flow of those* manufacturing companies which are the engineering industry's *customers and there is little left* over for capital investment.

£7,000 fine for bid to break sanctions

—FTR

A COMPANY making air compresors and two of its staff were fined yesterday for trying to break trade sanctions against Rhodesia.

Compair Industrial, of High Wycombe, was fined £7,000 by magistrates at East Ham, London, after it admitted seven charges of taking compressors to docks for export to Rhodesia. Anthony Pawley, of Battingswood Gardens, Naphill, Bucks., an area sales representative, was fined £350 on admitting seven similar offences, and Peter Skegg, sales manager, of Beach Park, Walter Ash, Naphill, £100 on admitting two similar offences.

Mr. H. A. Cowham, prosecuting for Customs and Excise, said the export of air compressors was a contravention of the Export of Goods (Control) Order 1970, introduced after Rhodesia's unilateral declaration of independence.

Malawi company

Many goods found their way to *Rhodesia through* Samuel Osborne (Malawi) company. "From the facts, the general inference is that this was set up to facilitate not only the present offences but offences by others to import goods into Rhodesia.

"This is borne out by the fact that since this case was brought the company has ceased to operate."

Mr. Peter Scott, for the accused, said: "Since this matter came to light the Board have taken very strong steps to ensure that it does not happen again.

"No company *which* was so successful would be so foolish as to take a policy decision of this *kind which would put at risk its* position in this country and the Black African countries."

Welsh TV film exported

HTV WALES has sold the first Welsh-language television play to Swedish television which has decided *to screen a play in the* eight-part drama series Y Gwrthwynebwr, first transmitted by HTV *Wales last year.*

The programme will be seen in Sweden later this year, with Swedish sub-titles. The play was written by Rhydwen Williams.

CHESS SOLUTIONS

Solution to Position No. 67. 1 . . . N-B6! (threatening N-B7 *mate, and if* 2 PxN, *N-B7* ch; 3 K-R2, QxP mate) 2 R-B1, QxP ch! 3 PxQ, N-B7 ch! 4 RxN, R-N8 *mate.*

Solution to Problem No. 67. 1 Q-KR1! QxQ; 2 RxQ, any move; 3 K-N2 mate. If 1 . . . Q-KS ch; 2 K-N2, or if Q-KN5; 2 RxQ, and mate next move.

Man's reinstatement ends Odeco oil rig boycott

BY CHRIS BAUR, SCOTTISH CORRESPONDENT

A BOYCOTT of supplies and services which Aberdeen-based unions have been attempting to impose against eight North Sea oil rigs has been lifted after 23 days.

The action, organised by the 12-union Offshore Committee, was directed against rigs operated by the American drilling contractors, Odeco. It came *after the demotion and* subsequent dismissal of a crane driver on the Odeco rig Ocean Victory *after he had failed to observe* a safety procedure.

The man had recently been *recruited as a union rig representative*, as part of the Offshore Committee's 18-month campaign to secure representative rights on British-crewed oil rigs operating in the U.K. sector of the North Sea.

The unions claimed that the man had been "victimised" and turned down a company offer to re-employ him on any of its rigs other than the Ocean Victory.

Odeco has now agreed to reinstate the man to a "lesser job" *on the Ocean Victory* with the probability that he will regain *his former job* shortly.

Mr. Dan Jeffus, Odeco's operations manager, said that the agreement did not mean that *Odeco recognised the unions* or was prepared to offer formal negotiating rights.

World Cup final is a sell-out

By Trevor Bailey

THE FIRST cricket World Cup has—assisted by the fine weather—proved an outstanding success both in terms of cash and overall interest.

Total gate receipts are likely to exceed £200,000, while the sponsors, the Prudential, and television, have contributed about £150,000, which will be swallowed up by the basic expenses of the eight contestants.

To-day, the West Indies meet Australia in the final at Lords, which is a complete sell-out. Although the West *Indies* thrashed Australia last Saturday, the match remains a good even-money bet.

The trophy, medals and cheques—£4,000 for the winners and £2,000 *for the losers*—will be awarded by Prince Philip if the match finishes to-day. If it goes the full distance of 120 overs, there must be some doubt whether the light will last.

NEB no soft touch, says Ryder

BY RHYS DAVID IN CARDIFF

THE NEED for partnership between Government and industry had been accepted much more widely in regions distant from London than in the capital itself, Sir Don Ryder, Government chief industrial adviser and chairman-designate of the National Enterprise Board, said in Cardiff yesterday.

Sir Don told the Development Corporation for Wales that the issue of public money for industry did not arouse the same *strong feeling in the industrial* centres, in particular in Scotland, Wales and the North of England, where the problems of industrial decline had been experienced at first hand.

In London the controversy was at its keenest because political issues were involved and also because people were inclined to a more theoretical attitude.

The proposed NEB would depend most of all on the quality of investment proposals which were brought before it. Companies could not expect the NEB *to be a soft touch.*

"I would hope that any project which comes forward would *receive a critical scrutiny as* searching as that applied by any financial institution in the City."

Too much time was spent arguing about what was wrong with British industry and whose fault it was. Concentration on our weaknesses rather than on our strength was bad for morale in the boardroom and on the shop floor, and played into the hands of our competitors abroad.

We had not invested enough of our resources in new plant and equipment, and had not put enough effort and skill into increasing the efficiency of the plant and equipment we already had.

This led to a vicious circle, in which slow growth and low *profits prevented companies* putting aside enough resources of their own, or attracting new capital from outside, to finance adequate new investment. This, in turn, led to still slower growth and still lower profits.

Drivers' work hours studied

AN EEC regulation reducing the daily hours lorry drivers in Britain *are allowed to spend on* the road from next year is to be reconsidered by the Commission, the Department of *Environment* said yesterday.

The Freight Transport Association, while optimistic that changes would be made, did not think they could be introduced before January 1, 1976. It has estimated the cost to Britain of reducing daily shifts from 10 to eight hours and of *other regulations* due to come in force at the beginning of next year at about £300m. *a year.*

Mr. Neil Carmichael, Parliamentary Under-Secretary of *State for the Environment*, said in a letter released yesterday that the Commission had agreed to look again at the regulation covering hours. The restriction had applied to U.K. international traffic since April, 1973, he said.

IN BRIEF

Saving it

Mr. Anthony Wedgwood Benn, Secretary of State for Energy, told MPs in a written answer yesterday that the "save-it" campaign was estimated to have cost £3.2m. so far.

A survey on the impact of the launch phase of the campaign from January 20 to March 31 suggested a significant change *in* people's understanding of how to save energy and an encouraging *trend in plans to instal* energy-saving devices.

Extension shelved

Plans for an extension of Griffiths Laboratories (U.K.) at Cotes Park Estate, *Alfreton, which* would have created 70 new jobs, have been shelved because of the *uncertain economic situation.*

Three seminars

Seminars on banking, insurance and mercantile law are being planned by the British Importers Confederation for the autumn. Its secretary, Mr. E Ira Brown, *said: "Imports are now running* at about £65m. a day. Even a small increase in the efficiency *of importers would greatly benefit* our foreign exchange position."

Food '20% up'

Housewives were paying about 21 per cent. more for their groceries *than this time last year,* The Grocer trade magazine said.

No mortgages

Council housing officials at Northampton said that they would grant no more mortgages until April next year after the Government's order that lending by *local authorities should* be reduced.

Fewer students

Open University has cut its planned intake of 20,000 new students next year to 17,000 because of a £730,000 deficit and a refusal by the Government to provide more funds.

OVERSEAS NEWS

No Japan signature on nuclear treaty

By Charles Smith

TOKYO, June 20.

JAPAN has had to give up the idea of ratifying the nuclear non-proliferation treaty (NPT) during the current session of the Diet (ending July 4), a spokesman for the Foreign Ministry told the Financial Times this afternoon, though it plans to try again either this autumn or later.

The abandonment of the ratification plan, which has been viewed with optimism up to the last moment by Japanese supporters of the treaty, has evidently caused bitter disappointment at the Foreign Ministry. The treaty has been under discussion in the Diet for the past six weeks and was due to be voted on by a general session of the Lower House yesterday, before submission next week to what would have *been its crucial test* in the Upper House of the Diet.

The Government's decision *to back down at the last* moment was based first on an open revolt against the treaty *by some members of the ruling* Liberal Democratic Party (LDP), ten of whom have publicly stated their opposition to ratification this week, and secondly on lack of cooperation from the Opposition Japan Socialist Party (JSP).

The JSP has a strongly pacifist outlook but decided not to support ratification because of objections to concessions the Government made to *its own Right-wingers in the* horse-trading which preceded submission of the treaty to the *Diet.*

The NPT's death warrant was signed on Thursday when *the Secretary-General of the* JSP told Mr. Yasuhiro Nakasone, the LDP Secretary-*General, that the Socialists* could not vote for the treaty. JSP support would not have been necessary in the Lower House of the Diet where the Government has a substantial majority but would have been indispensable in the Upper House where the Government majority is paper-thin. The ruling party is in a minority in the vital Upper House foreign affairs committee whose approval would have been needed before ratification could have been finalised.

● Canadian Prime Minister Pierre Trudeau was sharply criticised in the Commons for adding to nuclear proliferation by agreeing to the export of Canadian nuclear technology to under-developed countries, our correspondent reports from Ottawa. Opposition leader Robert Stanfield called for a moratorium on nuclear reactor sales and attacked the Government for considering a sale to Argentina which has not signed the nuclear non-poliferation treaty.

New York 'austerity' budget passed

By Jay Palmer

NEW YORK, June 20.

NEW YORK city's Board of Estimate and Council last night approved Mayor Abraham Beame's $12bn. "austerity" budget for the fiscal year beginning next month. Failing any last-minute state or federal aid, the budget will require at least 25,000 city employees to be laid off.

Presenting the budget for a vote, Mayor Beame again blamed the state legislature for its failure to approve both aid and new tax requests. The mayor described the budget as "a disheartening document that will disrupt the lives of thousands of city employees."

This city budget is, as gener*ally expected, higher than Mayor* Beame's original "crisis" measures spelt out earlier to *meet the forecast 1975-76 revenue* deficit.

The biggest job cutbacks come in the education and police departments with fire and sanitation services also affected.

New Yorkers have been warned that police and fire emergency response time may apparently be more than doubled, while in most areas garbage collection may be more than halved.

Despite the limited time left before these drastic budget lay-offs would have to go into effect, some hope remains that the state might vote 11th hour aid. The mayor last night stressed that *the job cutbacks could* be rescinded up to the last moment and that he remained *optimistic.*

U.S. cut in oil reserve figure

WASHINGTON, June 20.

THE U.S. Geological Survey said new estimates of undiscovered recoverable oil and gas resources indicate U.S. reserves are in some cases 80 per cent. lower than previously believed.

The estimate this year gives total on- and off-shore undiscovered recoverable crude oil and natural gas liquids as between 61bn. and 149bn. barrels. Last year's estimate put the figure at between 200bn. and 400bn. barrels, including natural gas liquids.

An official of the Survey said reasons for the fall in estimates include use of new surveying methods and more conservative estimating standards. Total off-shore recoverable oil resources are estimated this year at between 10bn. and 49bn. barrels, down from 65bn. to 130bn. last year.

Reuter

Peres attacks 'U.S. support for Cairo'

BY OUR OWN CORRESPONDENT

TEL AVIV, June 20.

THE BREADTH of Israel's differences with the U.S. has begun to emerge publicly here, amid fears of an open confrontation over Israel's long-term border goals if the current efforts fail to achieve an interim Sinai settlement with Egypt.

Last night the Defence Minister, Mr. Shimon Peres, swiped at what he called Washington's apparent support of Cairo's position regarding what has become the most acute *point of conflict, the fate of the* two strategic Western Sinai passes. Mr. Peres told a Labour *party political meeting* that the Ford Administration seemed willing to accept Egypt's conception of secure new defence lines as a sign of flexibility, but was taking a less charitable attitude toward Israeli contentions.

He thus tended to confirm local newspaper reports from Washington that the Israelis are insisting on free access to their two electronic early-warning installations atop and nearby the Eastern half of the Giddi Pass.

In an interview with Ma'ariv to-day, the Prime Minister, Mr. Yitzhak Rabin, emphasised the need to achieve an interim settlement, especially in the light of President Ford's intention otherwise to publish his own programme for an overall peace settlement, "and this will not be to Israel's liking."

Mr. Rabin said that with the aid of maps, he detailed the Israeli position on an overall agreement for the first time during his talks in Washington last week. Although the President did not react, "I presume that these ideas are unacceptable to the U.S. Administration," he said.

Syria takes softer line after new arms delivery

BY ALAIN CASS

SYRIA'S Foreign Minister began his talks with U.S. officials in Washington yesterday amid signs *that his government's position* over the current round if Middle East talks has considerably, if *temporarily, eased.*

At the same time Syria is reported to have received a "new generation" of weapons from the Soviet Union as part of a Soviet-backed strategy to be ready to fight Israel alone if current peace talks break down.

Mr. Abdel Halim Khaddam is expected to reiterate his government's stated position that Syria prefers an overall settlement to the step-by-step approach. But the impression *gained recently* is that Syria is likely to prove more flexible on this issue than *its public stance would indicate.*

There may also be a degree of flexibility in Syria's stand regard*ing Palestinian representation at* future talks. Mr. Khaddam's government is now thought to *have some regard for the Israeli* government's difficulties with its own supporters over this ques*tion and, though committed to* Palestinian representation at Geneva may be less insistent now that the resumption of the conference is receding further.

IHSAN HIJAZI in Beirut reports that, though travellers from Damascus did not know what type of new weapons Syria had got, these had arrived in the past few weeks and there was *a great deal of excitement in* Damascus military quarters "who felt that Syria can now *better withstand an Israeli* pre-emptive strike."

The same sources linked the *delivery* of the new weapons with a visit to Damascus late in April by Major General Viktor Poliakov, *the Soviet chief of staff* who was described as his country's main expert on missile develop*ment and warfare. General* Poliakov was reported to have made a study on the effectiveness of *the Soviet-made Sam-6 and Sam-7* ground-to-air missiles against new anti-missile electronic equipment supplied to Israel by the U.S. in wake of the October 1973 war.

Informed sources here expressed the view that the Soviets may have supplied Syria with a number of Mig-25s, which are regarded as superior to the U.S. made Phantom fighter bombers which currently *form* the backbone of the Israeli airforce.

EEC to speed textile talks

BY PHILIP RAWSTORNE

STRASBOURG, June 20.

THE EEC Commission is to speed up negotiations with third countries on textile imports into the Community, M. Henri Simonet, vice-president of the Commission, told the European Parliament to-day. He said that the negotiations should be concluded by the end of October.

Replying to a debate initiated by Mr. Tom Normanton, Conservative MP for Cheadle, M. Simonet said that the Commission shared the general concern about the situation in the industry in Britain and other member States.

Emergency measures had already been taken to protect EEC markets against certain imports such as shirts from South Korea to the Irish Republic and cotton fabrics from Brazil to Germany. M. Simonet said that the Commission would soon have the results of a survey of the quantities, prices and origins of imports of 22 specific textile articles.

Mr. Normanton, appealing for Community action, said that a quarter of the industry's labour force, some 400,000 men and women, were either unemployed or on short-time working in the Community. Some of the third country exporters had been deliberately dragging their feet in the negotiations, he claimed.

Dutch bank inquiry

BY MICHAEL VAN OS

AMSTERDAM, June 20.

ONE OF the leading Dutch commercial banks, Mees En Hope, is being investigated by the Economics Ministry's control service following allegations that the bank has contravened the relatively new *regulations* governing payments traffic with Rhodesia.

This was confirmed in Parliament in The Hague by a Foreign Ministry official in answer to a question from a Socialist MP. The investigation had been started on the basis of written evidence, much of which was supplied to the MP by the usually well informed Dutch anti-apartheid movement based in Amsterdam.

The bank itself has denied any involvement. Earlier, an inter-departmental commission looking into the various reports of Dutch companies involvement in illegal trading with Rhodesia had admitted that current legislation and control possibilities were not watertight. New legislation was now being worked on but would take at least a year to come into force.

'Tankers in excess supply'

By Ilsa Sharp

SINGAPORE, June 20.

"I PERSONALLY hope that (tanker-building contract) cancellation figures will increase much more than to-day, said Mr. Jorgen Jahre, chairman of the International Association of Independent Tanker Owners (INTERTANKO) speaking at the Financial Times conference on South-East Asia Shipping here to-day.

While other speakers, including Mr. Anthony O. Scarrow, Vice President, Bank of America, London; and Mr. A. D. A. G. Mosley, executive director of the Hongkong and Shanghai Banking Corporation, bemoaned the present tanker oversupply situation, Mr. Jahre was more positive. Scrapping and cancellation must continue, he said.

Mr. Jahre *also dismissed ideas* that INTERTANKO should start an independent lay-up scheme. The two bankers, *Mosley and* Scarrow, admitted that shipping loans had been extended in the past in an atmosphere *of open* "over-enthusiasm" or open "irresponsibility." Mr. Scarrow expected owners *to default on* loans if the shipping recession was prolonged into 1976 and 1977.

Mr. C. N. Watson, managing director of Sembawang shipyard, Singapore, was, however, "not unduly worried" at his yard's investment in VLCC dry docks since "these big docks can earn their keep drydocking smaller vessels."

Argentine company pays $3m. ransom

BUENOS AIRES, June

THE RICHEST company in Argentina has paid nearly $3m. as ransom to *left-wing* guerillas holding two of its top executives as hostages, a company *spokesman* said yesterday. The spokesman said the Bunge and Born Co. had complied with all the demands of the guerillas except for "some small details" to win the freedom of the brothers Juan and Jorge Born.

The Born brothers were kidnapped in a bloody ambush nine months ago, when guerillas dressed as telephone repairmen blocked their chauffered-driven limousine at the height of the morning rush hour. A chauffer and a company executive were shot to death in the gun battle that followed.

A Bunge and Born spokesman said the company sent $1.2m. in canned food and clothes into the shanty towns of the nation as part of the ransom demands.

The company also took huge advertisements in local and provincial newspapers announcing *the handouts.* The left-wing Montoneros guerallis, who have claimed respons*ibility for the kidnapping,* issued pamphlets saying Bunge and Born money was "*returning to the people.*"

UPI

October poll in Angola discussed

NAKURU, June 20.

IN AN effort to bring peace to the war-torn country, Angola's three liberation movements to-day discussed staging nation-wide *elections in October prior* to full independence from Portugal the following month.

Conference officials said the election issue was the last major topic of a seven-point agenda the Angolans have been discussing during a five-day summit meeting here.

The groups—FNLA, MPLA and Unita—earlier in the year agreed to stage October elections but, because of intermittent warfare in which thousands were killed, no progress has been made in the intervening months on establishing election machinery.

The Angolans this week have been studying Kenyan electoral procedures to decide how best to stage their own elections. In a series of communiques, the Angolans said they had resolved all other major differences between the groups which had threatened to plunge the country into full-scale civil war.

In the latest statement they said they had agreed on a series of "concrete measures" to integrate their individual armies and form a Foreign Ministry.

UPI

Russians deny Somali base

MOSCOW, June 20.

THE SOVIET Union to-day issued its first detailed rebuttal of American charges that it was *building a missile base in* Somalia and described U.S. aerial pictures said to depict the base as a photographic mirage.

The Defence Ministry daily, Krasnaya Zvezda (Red Star), said that what the U.S. maintained were runways, troop barracks and radar centres at the port of Berbera were in fact ordinary highways, living quarters for workers and storage buildings. Last week U.S. Officials released annotated pictures said to have been taken from high-flying aircraft and showing missile handling facilities and storage bunkers. Reuter.

Travel

Morocco with a difference

BY PAUL MARTIN

WHILE WE still hear complaints about the number of antique movies shown on TV, one has certainly stood the test of time. It was "Casablanca" and my mind ran back to it when I landed there for the first time last month.

There was not time to go off in search of the legendary establishment where Bogey and Bergman met and intertwined in that romantic atmosphere of wartime intrigue to the tune of "As Time Goes By."

Casablanca was for me the arrival airport where we touched down, after a brief stop in Tangier, on a scheduled Royal Air Maroc flight in a Boeing 727-200. We arrived bang on time after leaving London at 7 p.m. on a Friday evening with an excellent dinner served courteously and efficiently. From there I continued by bus to be greeted in my chalet at the British owned and operated Sun Dance Village at Salé with a tumblerful of wine and a sandwich.

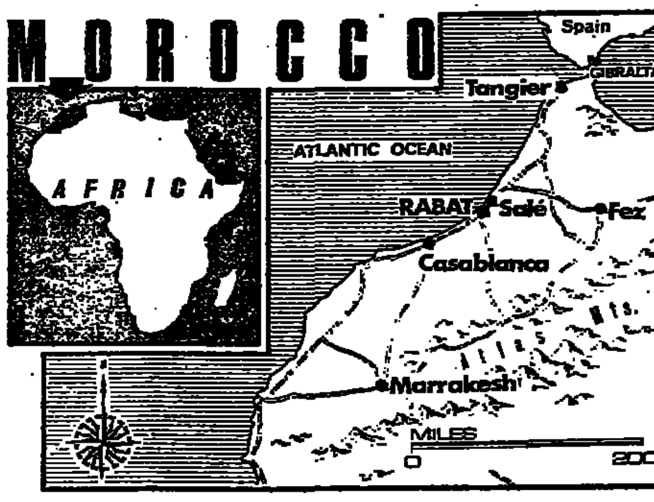
The days when we were Empire builders belong to a now distant era but there are legacies of the old pioneering tradition in the creation of a British holiday village near the estuary of the River Bou Regreg which forms the border between the old Corsair city of Salé and Rabat, Morocco's present-day capital.

The whole concept of the Sun Dance complex—apart from the village, there is also a pleasant and well-shaded camping site—is certainly different and I would call the whole approach sophistico-peasant. A welcome contrast to the highly organised tour package, there is, however, one element in common in that you can take advantage of an all-inclusive price and then feel free to do your own holiday thing. No one will chivvy you to go on an excursion or to join in a beach party barbecue.

Sun Dance is not a spectacular Moroccan version of those exclusive and exotic holiday hideaways where cost is no object; and the Yves St. Laurent-Cardin-Pucci element is as non-existent as are the Porsches, Mustangs and Lamborghinis.

It is a purpose-bulit holiday village, consisting of chalets, a central block with restaurant and discothèque and the pool area, all set among the eucalyptus trees and looking across the water to the white unevenly-contoured skyline of Rabat with, at the harbour's limits, the massive outline of the Oudaia fortress.

A shady spot in Sun Dance Village



The twin-bedded chalets are comfortable but essentially simple. Each has its own shower, wash basin and toilet with plenty of hot water. Meal hours are pretty flexible with croissants and copious cups of coffee served on the restaurant terrace until 10 a.m. Lunch is buffet-style with imaginative salads and delicious fresh grilled fish—the sardines were the best I have tasted anywhere—and plenty of fresh fruit. No-one bothers to change out of their swimming things. Dinner—and the appearance of a tie would cause a sensation—consists of three courses and the wine is on the house.

I should perhaps add a note of warning. If your idea of holiday bliss is to be cossetted and pampered: if you seek luxury and are a lover of separate tables; Sun Dance is certainly not your cup of mint tea!

It is a package operation with a difference and there is certainly not the often forced bonhomie of let's-all-be-jolly-campers-together! Casual, friendly and informal, the accent is on the winding-down process and the clientele is a cross-section in age, interests, marital or non-marital status and the odd eccentric opter-out from 20th century problems, mixed with a handful of determined travellers using the village as a base from which to explore the real Morocco that lies beyond the confines of Sun Dance.

The discotheque continues till the last customer leaves with beer at around 25p and wine inexpensive. Allow 50p for a Scotch. The place is small enough—there are currently some 50 chalets—for parties to happen for absolutely no particular reason with no obligation for those in the sun-filled embrace of Morpheus to join in. Pyjama-clad figures have been observed to move through the shadows to where it is all going on!

I am anxious not to paint an over-rosy picture of the place. The nearby beach gets crowded in high summer but, should you tire of the lotus life around the pool, there is courtesy transport to the vast expanse of the deserted sandy beach at the Plage des Nations where a strikingly-designed contemporary hotel has a series of bars, a snack bar, a full restaurant and its own fresh water pool.

Sun Dance will not be to everyone's taste but it offers a move in the right direction away from the conventional holiday package. I heard of one couple who, after two days, moved out across the city, exchanging the simplicity of Sun Dance for the pampered comfort of a great international hotel. The traffic was two-way and their chalet was occupied the same evening by another couple who had moved in from the aforesaid establishment. That, I think, says it all!

The all-inclusive prices, covering return flight by scheduled Royal Air Maroc services London - Casablanca, insurance, transfers, and accommodation on a full-board basis work out at £114 for a week's stay and £149 for a fortnight's holiday throughout June and until July 17. The maximum cost of a fortnight's holiday in high season is £159 and an extension of stay can be arranged at £5 per day.

Full details are available from Sun Dance Village Ltd., 35 Beaufort Gardens, London SW3 (581 2592). Those planning to visit the area independently can obtain further information from The Moroccan National Tourist Office, 174 Regent Street, London, W.1.

Gardening

Water solves many problems

BY A. G. L. HELLYER

ONLY A FORTNIGHT ago I was writing about the late May frosts which had done so much damage in many parts of the country, yet already, with the effects of those frosts still plainly visible from my window, we have passed through a heat wave which has created problems of an entirely different kind. No wonder it is said that Britain has no climate, only weather.

In my own garden planting has been impossible and many seedlings remain overcrowded in boxes waiting for a suitable opportunity to put them out. Here in Sussex, I have neither sufficient water supply, nor pressure to operate sprinklers, except on the smallest scale, and the labour of carrying water in cans to hundreds of newly planted seedlings is too great to be contemplated.

Irrigation

It is weather such as this that makes one realise what a boon adequate irrigation is, not simply to keep plants in good condition but to enable work to continue unimpeded. Even weeding has become difficult these past few days as the surface has dried out completely and become hard despite fairly generous winter application of spent mushroom compost. Clover is beginning to get the upper hand on one of the lawns and this would probably not have happened if it could have been kept adequately moist.

There are so many watering devices to-day, from the simplest static sprinkler to the most elaborate fully automated systems, that it is worth taking a close look at them.

Perhaps contrary to popular ideas, the ideal is a device that delivers water very slowly. This has three major advantages, one that it gives time for the water to soak in instead of running uselessly over the surface; a second that minimum harm is done to the texture of the soil; and a third that it can be left in one place for quite a long time, perhaps as much as two hours, so leaving one free to get on with other jobs or just to have a good rest if one so desires.

Not all manufacturers are able to quote figures for the rate of delivery of the apparatus they sell, but if they do it will be expressed in inches per hour which, of course, is the same means of measurement used by weather men to describe rainfall. The ideal to look for is ¼ inch per hour or less, though it must be added that the actual delivery will be determined partly by the water pressure available and not wholly by the design of the apparatus.

Pressure and the size of the water main will also determine the kind of apparatus that can be used and the number of delivery points that can be operated simultaneously if a fairly large area is to be irrigated. For such big systems it is really wise to consult an expert, but for most small gardens any competent local supplier of sprinklers and other irrigation systems should be able to give adequate advice.

For many purposes an oscillating sprinkler is satisfactory. The best designs are adjustable for arc of throw, offering a choice of full oscillation, movement restricted to either one side or the other (useful for watering borders beside paths) and movement restricted to a narrow arc in the middle of the full throw (useful for narrow borders).

Cheapest

Rotating sprinklers may give about the same rate of delivery as oscillators, but inevitably they spread the water over a circle and if they are adjustable at all it can only affect the size of the circle covered. Much the same applies to the static cone type sprinkler, though with these adjustment is solely controlled by water pressure. These sprinklers are the cheapest to buy and the longest lasting since there are no moving parts and nothing to go wrong. Where a relatively small area has to be watered they are quite adequate though they do tend to throw water too fast and allow it to fall too heavily.

The finest, most rain-like spray is produced by perforated hose, though for some extraordinary reason, which I find imposisble to fathom, its use is forbidden by some water authorities. But where it is legal, it may prove to be the ideal method of watering in small to medium size gardens, it is particularly good for watering long borders since, though it can be curled round corners or laid in a series of zig-zags, it only lies fully flat when stretched in a straight line. I find that after a while some of the tiny holes become blocked up and then considerable wiping and squeezing may be necessary to clear them.

Trickle irrigation, so popular with commercial growers, never seems to have caught on with private gardeners, possibly because it has never been much pushed to them. It makes use of small bore rubber tubes with plastic nipples which can be "buttoned" into them at pre-determined points. The water oozes out in individual droplets doing absolutely no damage to soil surface or structure and this is an ideal system to use under glass for tomatoes, cucumbers and other such crops.

Moistening peat

It would certainly solve a particular problem of mine at the moment, which is to ensure that tomatoes, cucumbers and melons growing in peat bags really are adequately watered. Dry peat is notoriously difficult to moisten and though some manufacturers have made great improvements in this respect, I still find it difficult to assess just how moist right through the peat in a bag is. One can, of course, thrust one's finger right in, but this takes time and if repeated daily cannot be very good for the roots. With trickle irrigation installed semi-permanently along the line of bags it should not be very difficult to discover how long the water should be turned on daily to keep the peat moist and give the plants all the water they require. But of course for that one needs a water supply under adequate pressure, and preferably a tap as well, installed in the greenhouse.

U.K. scrap trade seeks export quota rise

By Kenneth Gooding

THE POSSIBILITY of an increase in U.K. ferrous scrap exports to non-Common Market countries is being discussed in Brussels.

The British Scrap Federation has been pressing hard for some months for changes in the export quota fixed at 15,000 tonnes a quarter for the U.K. against 40,000 tonnes for France and 60,000 tonnes for Germany.

It says a freer export trade is urgently needed in view of depressed U.K. demand. The British Steel Corporation, for example, is buying less than half the tonnage bought this time last year.

Talks among ECSC members in Brussels could produce a further increase in the U.K. quota, but the Federation said last night: "We are far from confident that there will be a relaxation."

A decision will probably be announced in Brussels by Monday if not earlier.

The Department of Industry has issued details of revised arrangements for licensing exports of ferrous scrap to countries outside the EEC, which the Federation condemned as "unnecessarily complicated." It said exports to third countries could be controlled much more simply.

U.K. scrap companies were losing export orders because of the complicated licensing procedure, the Federation said. With scrap prices dropping in all Continental countries "we need to be able to sell overseas whenever the opportunities present themselves."

Economic Diary

MEETING between CBI and TUC leaders on Tuesday for second stage of anti-inflation discussions.

SUNDAY — National Savings monthly progress report (May).

MONDAY—Steel manual workers pay talks, Grosvenor Place, London. EEC Agriculture Ministers meet in Luxembourg.

TUESDAY—Meeting of EEC Foreign Ministers in Luxembourg.

WEDNESDAY — TUC general council meets.

THURSDAY—Polling in Woolwich West Parliamentary by-election. Gas white collar workers pay talks. Energy trends publication.

FRIDAY—British Leyland shareholders meeting, Kensington Town Hall. Construction orders (April). Bricks and cement production (May).

COMPANY NOTICES

AFRICAN AND EUROPEAN INVESTMENT COMPANY LIMITED
(Incorporated in the Republic of South Africa)

NOTICE TO HOLDERS OF PREFERENCE STOCK WARRANTS TO BEARER
PAYMENT OF COUPON NO. 55

With reference to the notice of declaration of dividend advertised in the Press on 7th June, 1975 the following information is published for the guidance of holders of stock warrants to bearer.

The dividend of 3 cents per unit of stock was declared in South African currency. South African non-resident shareholders' tax at 0.45 cents per unit of stock will be deducted from the dividend payable in respect of all stock warrant coupons leaving a net dividend of 2.55 cents per unit of stock. The dividend on bearer stock will be paid on or after 18th August, 1975 against surrender of coupon No. 55 detached from the stock warrants to bearer as under:—

(a) At the office of the following Continental paying agent by residents of the country concerned for payment in the local currency:
Credit du Nord et Union Parisienne,
6 & 8 Boulevard Haussmann,
Paris 9e.
In respect of coupons lodged at the office of the Continental paying agent the dividend payment will be made in South African currency to an authorised dealer in exchange in the Republic of South Africa nominated by the Continental paying agent. Instructions regarding disposal of the proceeds of the payment so made must be given to such authorised dealer by the Continental paying agent concerned.

(b) At the London Bearer Reception Office of Charter Consolidated Limited, 7, Rolls Buildings, Fetter Lane, London, EC4A 1HX. Persons lodging coupons at the London Bearer Reception Office prior to 1st August, 1975 will be paid the United Kingdom currency equivalent of the rand currency value of their dividend on 5th August 1975. In the case of coupons lodged at the London Bearer Reception Office on or after 1st August, 1975 the dividend will, unless the depositor requests payment in rand to an address in the Republic of South Africa, be remitted to the London Bearer Reception Office through an authorised dealer in Johannesburg at the then prevailing rate of exchange and the U.K. currency proceeds arising therefrom will be paid to the depositor concerned.

Coupons must be left for at least four clear days for examination and may be presented any weekday (Saturday excepted) between the hours of 10 a.m. and 2 p.m.

United Kingdom income tax will be deducted from coupons paid in United Kingdom currency at the London Bearer Reception Office, unless such coupons are accompanied by Inland Revenue declarations.

Continued in next column.

Continued from previous column.

tions. Where such deduction is made, the net amount of the dividend will be the United Kingdom currency equivalent of 1.95 cents per unit of stock in terms of sub-paragraph (b) above arrived at as under:—

	South African Currency Per Unit of stock cents
Amount of dividend declared	3.00
Less: South African non-resident shareholders' tax at 15%	0.45
	2.55
Less: U.K. income tax at 20% on the gross amount of the dividend of 3 cents	0.60
	1.95

For and on behalf of
ANGLO AMERICAN CORPORATION OF SOUTH AFRICA, LIMITED.
London Secretaries.
D. H. J. PATTISON.

London Office:
40, Holborn Viaduct,
EC1P 1AJ.
20th June, 1975.

NOTE: The Company has been requested by the Commissioners of Inland Revenue to state:—
Under the double tax agreement between the United Kingdom and the Republic of South Africa, the South African non-resident shareholders' tax applicable to the dividend is allowable as a credit against the United Kingdom tax payable in respect of the dividend. The deduction of tax at the reduced rate to 20% instead of at the basic rate of 35% represents an allowance of credit at the rate of 15%.

ANGLO AMERICAN CORPORATION OF SOUTH AFRICA, LIMITED
(Incorporated in the Republic of South Africa)

NOTICE TO HOLDERS OF PREFERRED STOCK WARRANTS TO BEARER
PAYMENT OF COUPON NO. 93

With reference to the notice of declaration of dividend advertised in the Press on 7th June, 1975, the following information is published for the guidance of holders of stock warrants to bearer.

The dividend of 3 per cent (3 cents) was declared in South African currency. South African non-resident shareholders' tax at 0.40437 cents per unit of stock will be deducted from the dividend payable in respect of all stock warrant coupons leaving a net dividend of 2.59563 cents per unit of stock. The dividend on bearer stock will be paid on or after 1st August, 1975 against surrender of coupon No. 93 detached from the stock warrants to bearer as under—

(a) At the office of the following Continental paying agent by residents of the country concerned for payment in the local currency:

Continued in next column.

Continued from previous column

Credit du Nord et Union Parisienne,
6 & 8 Boulevard Haussmann,
Paris 9e.

In respect of coupons lodged at the office of the Continental paying agent the dividend payment will be made in South African currency to an authorised dealer in exchange in the Republic of South Africa nominated by the Continental paying agent. Instructions regarding disposal of the proceeds of the payment so made must be given to such authorised dealer by the Continental paying agent concerned.

(b) At the London Bearer Reception Office of Charter Consolidated Limited, 7, Rolls Buildings, Fetter Lane, London, EC4A 1HX. Persons lodging coupons at the London Bearer Reception Office prior to 18th July, 1975 will be paid the United Kingdom currency equivalent of the rand currency value of their dividend on 22nd July, 1975. In the case of coupons lodged at the London Bearer Reception Office on or after 18th July, 1975 the dividend will, unless the depositor requests payment in rand to an address in the Republic of South Africa, be remitted to the London Bearer Reception Office through an authorised dealer in Johannesburg at the then prevailing rate of exchange and the U.K. currency proceeds arising therefrom will be paid to the depositor concerned.

Coupons must be left for at least four clear days for examination and may be presented any weekday (Saturday excepted) between the hours of 10 a.m. and 2 p.m.

United Kingdom income tax will be deducted from coupons paid in United Kingdom currency at the London Bearer Reception Office, unless such coupons are accompanied by Inland Revenue declarations. Where such deduction is made, the net amount of the dividend will be the United Kingdom currency equivalent of 1.95 cents per unit of stock in terms of sub-paragraph (b) above arrived at as under:—

	South African Currency Per Unit of stock cents
Amount of dividend declared	3
Less: South African non-resident shareholders' tax at 13.479%	0.40437
	2.59563
Less: U.K. income tax at 21.521% on the gross amount of the dividend of 3 cents	0.64563
	1.95

For and on behalf of
ANGLO AMERICAN CORPORATION OF SOUTH AFRICA, LIMITED.
D. H. J. PATTISON.

London Office:
40, Holborn Viaduct,
EC1P 1AJ.
20th June, 1975.

NOTE: The Company has been requested by the Commissioners of Inland Revenue to state:—
Under the double tax agreement between the United Kingdom and the Republic of South Africa, the South African non-resident shareholders' tax applicable to the dividend is allowable as a credit against the United Kingdom tax payable in respect of the dividend. The deduction of tax at the reduced rate of 21.521% instead of at the basic rate of 35% represents an allowance of credit at the rate of 13.479%.

SOLVAY & CIE S.A.

The General Meeting decided a Net Dividend of BF.185.00 per A and B Share and BF.74.00 per C Share (the latter, 40% paid up).

As an Interim Net Dividend of BF.60.00 has been paid on 21st January for the A Shares, a Final Dividend of BF.125.00 net will be payable on 24th June, 1975.

Coupon No. 14 may be presented for payment at the Offices of J. Henry Schroder Wagg and Co. Limited, 120 Cheapside, London E.C.2, or Banque Belge Limited, 16 St. Helen's Place, London E.C.3, between the hours of 10 a.m. and 2 p.m. (Saturdays excepted) on or after Tuesday, 24th June, 1975.

Payment will be made by Belgian Franc Draft, by transfer to a B.Fc Account or in Sterling at Bankers sight buying rate for B.Fcs, on day of presentation at the option of the holder.

U.K. Tax will be deducted from the net dividend unless lodgements are accompanied by the necessary Affidavits.

Payments can only be made to persons residing outside the Belgo-Luxembourg Customs' Union.

Shareholders should note that, under the terms of the U.K./Belgian Double Taxation Convention, Solvay Shareholders resident in the U.K. are eligible, upon submitting a duly completed form 276 Div. (G.B.), to a partial reimbursement of Belgian withholding tax equal to 6.25% of the net dividend.

EDUCATIONAL

PUBLIC NOTICES

LOCAL AUTHORITY BILLS

Issued 19th June due 18th September, 1975 at 9⅝%:—
£0.5m. Knowsley M.B. (Applications totalled £3.5m. £1.5m. bills outstanding).
£0.5m. Cynon Valley B.C. (Applications totalled £2m. £0.5m. bills outstanding.)

Christie's

Fine Art Auctioneers since 1766

EXPERIENCE AND EXPERTISE 229

Capodimonte hexafoil dish, painted by Giovanni Caselli, blue fleur-de-lys mark, 15¾ in. (40 cm.) diam. To be sold on Monday, June 30th in a sale of Important Continental Porcelain.

To the collector of fine antique porcelain, the rare example which crystallises the salient virtues of a particular factory, or even depicts its place of origin, is always desirable. Our sale on June 30th contains such an object, illustrated above.
The Capodimonte factory, founded at Naples by Carlo di Borbone in 1743, is generally regarded as one of the greatest in the 18th Century. It produced a very beautiful creamy white artificial or soft paste ware which lent itself extremely well to coloured and gilt decoration. Due to firing problems, very few pieces were produced of any size and thus only tea-wares and other small wares are commonly found. The dish illustrated above is remarkable therefore for its size. This in itself would be insufficient were it not also splendidly painted with a view of the port of Naples within a ribbon and fruit border. Thus the piece depicts its birthplace and displays also the varied aspects of the factory's decorative repertoire. It also bears the blue fleur-de-lys hallmark used in the early years of this great factory which refers to its Bourbon patron. Few European porcelains are more avidly sought after.

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English pictures fetch good prices

By Antony Thorncroft

CHRISTIE'S held an extremely successful sale of English pictures yesterday which totalled £379,543. All the best, and most of the second best, pictures sold for prices consistently on, or above, forecast. The top price was the £38,750 paid by London dealers Baskett and Day for a painting by James Pollard of the Royal Mail coaches leaving the Angel, Islington for the North, completed in 1827.

This picture had disappeared from view after selling at Christie's for £152 in 1910. The same fate co-incidentally affected another two Pollard pictures which sold yesterday, a couple of views of the 1836 St. Leger, which was won by Lord George Bentinck's horse Elis.

The story is that the owner was so enraged at the short odds for his horse, he encouraged the rumour that he had scratched it. The odds lengthened, and he then arranged at the last moment for Elis to be transported rapidly from Goodwood to Doncaster in a wagon drawn by six horses, the first time that a travelling van was used. The pictures sold yesterday to Richard Green for £13,125 each.

There were some other very interesting deals. A Thomas Gainsborough portrait of James, the eighth Earl of Abercorn, was sold by the Marquis of Hamilton for £18,900 to Agnew, an excellent price for a Gainsborough male portrait. A very detailed painting by Robert Home of Lord Cornwallis receiving the Tipu Saib's sons as hostages in 1792, was bought by Spink for £27,300. It had been sent for sale by the United Service and Royal Aero Club.

Equally fascinating were a pair of late 15th century Anglo-Dutch school paintings of the Arch Angel Gabriel, and the Virgin Annunciate, both from an altar piece, which went to Harry Smith for £16,800. They were probably painted by a Dutch artist resident in England since the frames are definitely English and carry the coat of arms of Westminster School. This makes them some of the earliest known English based pictures.

A group of six portraits by Joseph Wright of Derby of members of the Markheaton Hunt was sold for a total of £59,325. They were put up for sale by Major E. P. G. Miller-Munday, a descendant of Frances Noel Clarke Munday, who commissioned them for 12 guineas each. His own portrait fetched the top individual price of £14,700.

Unusually for a Friday there was another important sale at Sotheby's dealing with French furniture making £239,980. The top price was £48,000, for a pair of Louis XV/ ebony veneered *meubles à hauteur d'appui*, attributed to Adam Weisweiller. The pre-sale estimate had been a modest £14,000-£18,000.

Collecting wisely

Life, Liberty and the Pursuit of Happiness

BY JUNE FIELD

AS A CHRONICLER of 1776 pointed out, the Declaration of Independence, like that of all the American state-papers of the time, was strong and direct. Ignoring parliament, it took every act of oppression which had been aimed at the colonies as the act and deed of the king, concluding that "a prince whose character is thus marked by every act which may define a tyrant is unfit to be ruler of a free people."

Thomas Jefferson wrote the document "almost at one heat," and though parts of it were rejected or modified by Congress most of the striking phrases ("Life, Liberty and the Pursuit of Happiness"), were the Virginian's—a man, who although he had the reputation of being a very ready and able writer, was not a public speaker. So John Adams, who became the first American Minister to the Court of St. James, was its champion, and co-incidentally, the two men died on the same day, July 4, 1826.

There are 21 recorded copies of the first printing, mainly in the possession of U.S. Historical Societies and Universities, with four in private hands, and two in the Patriotic Record Office in London.

The one that comes up for auction on Wednesday, July 2, at Christie's was originally sent to John Steward, blacksmith and arms supplier, a fervent anti-loyalist and agitator, who later went on to greater things, becoming a Judge of Common Pleas in Goshen, New York.

Christie's have put what they term a modest estimate on the document, £40,000 to £60,000. One copy was sold in the States in 1969, well in excess of this figure, but the two bidding against each other were reported as "going crazy for it," and the price shot up to the dollar equivalent of around £170,000.

Interest in the Bicentennial Celebrations is building up (astute collectors already have their antennae alerted to Americana), and a useful primer is *The American War of Independence 1775-1785*, a 200th anniversary booklet from Invasion Publishing, 60p. It gives both the American and the British view of the causes of the conflict, potted biographies of the commanders, and illustrates

the uniforms and weapons of the various troops.

As a prelude to the various activities under way in Britain, an art exhibition "Young America" opens at the American Embassy, Grosvenor Square, W.1., on Monday, July 7. The paintings are from the Pennsylvania Academy of Fine Arts and range over such diverse offerings as "Penn's Treaty with the Indians" 1771, by Benjamin West, second president of the Royal Academy, and Andrew Wyeth's "Young America" 1950; the exhibition goes on to the City Art Gallery, Glasgow from August 13 to September 7, then to Bristol's City Art Gallery from September 26 to November 2, before going to the States.

For the background to some of the 48 masterpieces there is Ian Bennett of Sotheby's excellent *History of American Painting* (Hamlyn £4.50) which has a Wyeth subject on the jacket.

Concentrating on the British side of the story is the exhibition, *1776*, at the National Maritime Museum, Greenwich, next April, sponsored by Times Newspapers. Planned on a similar scale to their *Tutankhamun* and *Chinese Treasures* exhibitions, *1776* is planned to cover 20 years from the Stamp Act of 1765 to 1785 when John Adams presented his credentials to George III.

For those who want the whole story on how the early colonists lived, the Association for Cultural Exchange has arranged a "Colonial America" tour from October 13 to November 2. The study tour takes in museums and private homes in New York, Boston, Fredericksburg and Washington for a cost of around £350. Brochures on this and other study programmes are available from 9, Emmanuel Road, Cambridge.

Continuing their policy of regular exhibitions of Americana generally, the American Folk Art Gallery, Duke Street, London, W.1, has "New England Faces" a collection of primitive portrait paintings of the 18th and 19th centuries, opening on July 4.

Their current promotion is First World War and Depression Posters, on sale from £20. Timely reminders of the propaganda issued after the 1929 Wall Street crash are such offerings as Willard Frederick Elms "Five minutes saved every hour gives you 35 more days a year in which to win. Is your time working?" and "Those who save nothing to-day have nothing to bank on to-morrow. Are you spending wisely?

Wine Growers Association

SALE OF FINE WINES

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The wines listed below are all featured in our current Summer Sale catalogue together with many other items such as champagnes, Estate-bottled hocks and a unique parcel of Vintage cognac.

A Selection of Clarets up to £2.50 a Bottle

Quantity	Vintage		Price per case
160 Cases	1970	Ch. LATOUR CAMBLANES (1er Côtes de Bordeaux)*	£18
95 Cases	1970	Ch. LAMOTHE (Haut Médoc)	£20
68 Cases	1970	Ch. LE LOUP (St Emilion)	£22
[illegible] Cases	1970	Ch. LA CROIX BEAUSEJOUR (St Estephe)	£24
100 Cases	1970	Ch. MOULIN ROUGE (Haut Médoc)	£25
240 Cases	1969	Ch. MEYNEY (St Estephe)	£23
48 Cases	1969	Ch. TALBOT (St Julien)	£29
130 Cases	1967	Ch. GRUAUD LAROSE (St Julien)	£30
66 Cases	1967	Ch. BATAILLEY (Pauillac)	£30
75 Cases	1966	Ch. LATOUR DE ST [illegible]*	£25
[illegible]	[illegible]	[illegible]	£30

Clarets for the Connoisseur

Quantity	Vintage		Price per case
[illegible]	1967	[illegible] (St Estephe)	£37
[illegible]	1966	[illegible]	£32
60 Cases	1966	[illegible]	£36
[illegible]	1966	Ch. LEOVILLE POYFERRE (St Julien)	£38
80 Cases	1966	Ch. CALON SEGUR (St Estephe)	£38
75 Cases	1966	Ch. PICHON LONGUEVILLE LALANDE (Pauillac)	£40
45 Cases	1966	Ch. LYNCH BAGES (Pauillac)	£42
50 Cases	1966	Ch. MONTROSE (St Estephe)	£42
38 Cases	1966	Ch. GRUAUD LAROSE (St Julien)	£44
69 Cases	1966	Ch. BEYCHEVELLE (St Julien)	£48
72 Cases	1964	Ch. GAZIN (Pomerol)	£33
40 Cases	1964	Ch. BEYCHEVELLE (St Julien)	£38
33 Cases	1964	Ch. DUCRU BEAUCAILLOU (St Julien)	£39
28 Cases	1961	Ch. CROIZET BAGES (Pauillac)	£52
19 Cases	1959	Ch. GISCOURS (Labarde)	£45

First Growth Clarets

Quantity	Vintage		Price per case
30 Cases	1967	Ch. HAUT BRION (Pessac Graves)	£66
44 Cases	1966	Ch. MARGAUX (Margaux)	£72
63 Cases	1964	Ch. LATOUR (Pauillac)	£72
36 Cases	1962	Ch. MARGAUX (Margaux)	£70
[illegible]	1962	Ch. CHEVAL BLANC (St Emilion)	£72
48 Cases	1962	Ch. LATOUR (Pauillac)	£75
21 Cases	1959	Ch. LATOUR (Pauillac)	£84

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Quantity	Vintage		Price per case
70 Cases	1969	Ch. MEYNEY (St Estephe)	£23
24 Cases	1969	Ch. TALBOT (St Julien)	£29
26 Cases	1967	Ch. PONTET CANET (Pauillac)*	£31
42 Cases	1966	Ch. RAUZAN GASSIES (Margaux)	£36
32 Cases	1966	Ch. LEOVILLE POYFERRE (St Julien)	£38
15 Cases	1966	Ch. MARGAUX (Margaux)	£72
25 Cases	1964	Ch. LATOUR (Pauillac)	£72

Domaine Bottled Red Burgundies

Quantity	Vintage		Price per case
38 Cases	1970	VOSNE ROMANEE LES BRULEES, 1er Cru, René Engel	£40
50 Cases	1970	GEVREY CHAMBERTIN LES CAZETIERS, 1er Cru, Armand Rousseau	£42
29 Cases	1970	POMMARD CLOS DE LA COMMARAINE, 1er Cru, Jaboulet-Vercherre	£50
20 Cases	1970	BONNES MARES, Roumier	£60
42 Cases	1969	VOLNAY CAILLERETS 1er Cru, Jaboulet-Vercherre	£36
25 Cases	1969	BEAUNE LES THEURONS 1er Cru, Roland Thevenin	£44

Domaine Bottled White Burgundies

Quantity	Vintage		Price per case
60 Cases	1971	CHABLIS VAILLON, 1er Cru, J. Moreau	£32
36 Cases	1970	MEURSAULT LES CASSES TETES, Roland Thevenin	£38
23 Cases	1970	PULIGNY MONTRACHET CLOS DE LA GARENNE, Roland Thevenin	£40
15 Cases	1970	CORTON CHARLEMAGNE, Tollot-Beaut	£60

Vintage Ports

Quantity	Vintage		Price per case
49 Cases	1966	QUINTA DO NOVAL	£32
38 Cases	1966	FONSECA	£34
45 Cases	1963	CROFT	£36
50 Cases	1963	COCKBURN	£38
40 Cases	1963	GRAHAM	£44
36 Cases	1960	SANDEMAN	£38

Prices are for full cases – 12 bottles or 24 half-bottles of any item. Delivery is free to anywhere on the United Kingdom mainland.

Availability. All wines offered subject to being unsold.

Chateau Bottling. All clarets listed above have been bottled at the Chateau with the exception of the wines asterisked, which are Bordeaux-Bottled.

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Enquiries. *Telephone enquiries will be welcomed.* Dial 01-451 0981 (24 hour), 01-451 1135 or 01-451 0362. Telex No. 923540. Mr. John Moss-Blundell or one of his staff will be delighted to advise you in making your best choice.

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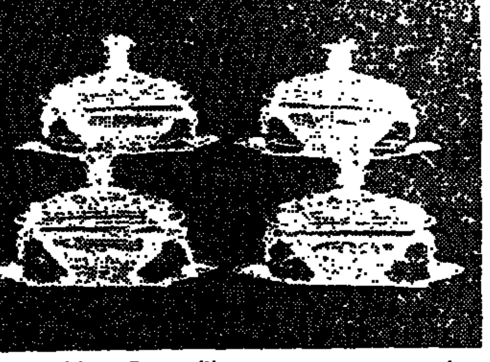

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SATURDAY, JUNE 21, 1975

Coming to the crunch

THIS HAS been a week of talks, not only about the railway dispute but about the economic situation in general and the wage situation in particular. There is an unmistakable feeling in the air, however, that a growing number of Ministers believe the TUC cannot be allowed much longer in which to discuss the possibility of stricter and more readily enforceable guidelines for voluntary wage restraint and that some form of statutory restraint, accompanied by the plans for long-term cuts in public expenditure which have been under preparation for some time, must now come under consideration. The risk of another and much more damaging run on sterling has at last made itself felt in spite of the political difficulties which firm measures to deal with the present crisis will undoubtedly raise for the Government.

The main weaknesses of the social contract, which have culminated in the rail settlement, is that the Government's eagerness to bring inflation under control was limited by its view of what the unions could be brought to accept that the guidelines laid down by the TUC contained too many loopholes; and that exceptions soon became so widespread that wage rates rose considerably faster than the index of retail prices. There is an obvious risk that the same factors might limit the practical usefulness of a revised social contract, even were the TUC ready to agree on one.

TUC dissension

In fact, the outlook for even nominal agreement is by no means bright. The engineering union has this week voted to have nothing more to do with any social contract of any kind, the Scottish miners have already started to make militant noises, and the only firm proposal to have been put forward so far is that pay increases should be restricted during the next period of incomes policy to a flat sum for everyone. Not only is this proposal incurring considerable hostility in principle from unions representing better-paid workers but the flat sum suggested is significantly higher than what Ministers think would be compatible with the aim, of halving the current rate of inflation by mid-1976. Left to themselves, therefor, the unions do not look like coming up with a satisfactory proposal in time to settle growing overseas doubts about the relatively rapid and persistent rate of inflation in the U.K. The railway settlement is bad enough in itself but will appear to be quite intolerable if the Government does not make it promptly clear that it marks the end of a phase.

It is possible, of course, that the risk of a statutory wage policy and the steady growth of unemployment will still accelerate union thinking. The latest rise in unemployment, though large, is no larger than expected and quite in line with the present trend. The Government cannot intervene to reverse this trend by stimulating home demand, for fear of losing all chance of getting inflation under control. But it may well argue that wage restraint will help to keep unemployment down and reduce the need for slashing cuts in public expenditure.

Two points need to be made here, and both were made clearly this week in the Bank of England's latest Bulletin. The first is that inflation has been allowed to persist so long at so rapid a pace that to cure it by reduction of demand alone would mean not only a high but a continuingly high level of unemployment, and that there is therefore much to be said for some kind of temporary incomes policy. But the distortions in the working of the economy that are bound to accompany any incomes policy, however temporary will only be worth while if the reduction in inflation which it secures is large, rapid, lasting and assured.

The second point is that even an effective control of incomes cannot free the Government from its obligation to keep effective control also over the growth of total demand. This has both a real and a purely financial aspect. From the point of view of real resources, it will be necessary to cut the future growth of public expenditure as projected in the White Paper issued earlier this year, which left almost nothing over for the growth of personal consumption.

From the financial point of view, to keep the money supply under control, it will be necessary both to hold the borrowing requirement in check and to sell large quantities of long-dated Government stock. From both points of view, substantial cuts in projected public expenditure are unavoidable.

With Britain's North Sea oil starting to flow, **Chris Baur** examines a major problem in the industry

The trade unions in troubled waters over North Sea oil

THIS week was a historic one for the British North Sea oil industry. In the speeches made as the first oil from the U.K. sector flowed into Kent's Isle of Grain refinery there was no shortage of stirring analogies with the past and expressions of optimism for the future. Yet the fact is that much of Britain's oil extraction programme, so important for this country's future, is way behind schedule. And a key factor affecting the pace and volume of work is the state of labour relations on the North Sea rigs and in the platform yards.

Two comments by oil industry leaders in the past few days have highlighted the tangled issues involved. Coinciding with the transfer of Mr. Anthony Wedgwood Benn to the Department of Energy and the landing of the first oil, these comments have also been a fortuitous reminder that the record of friction in the industry will have to be improved if the Government is to have any hope of meeting its target of self-sufficiency in oil supplies from the North Sea by 1980.

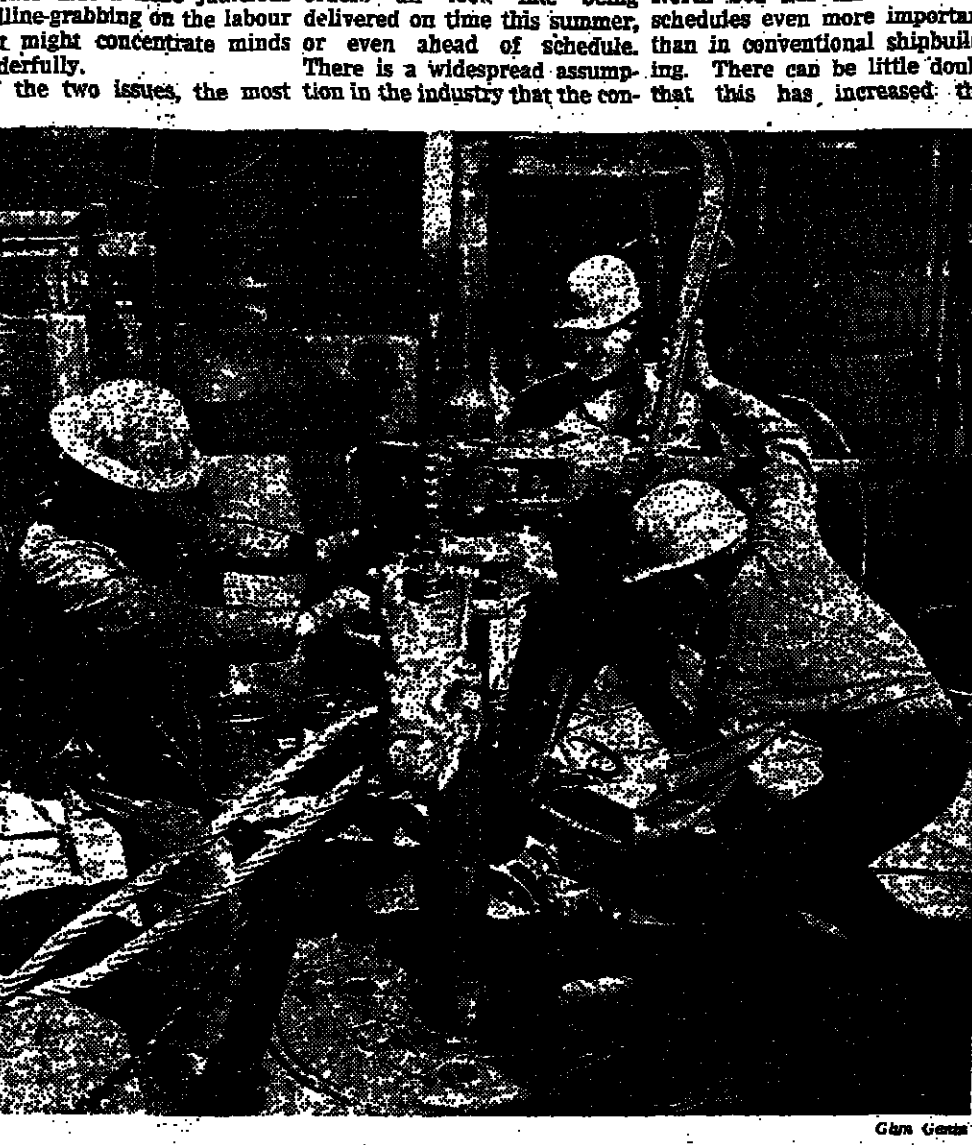
The first comment was by Mr. Dan Jeffus, operations manager of one of the largest American offshore drilling companies, Odeco. He accused trade unions of "trying to destroy the offshore drilling business" by militant action (in this instance an attempted boycott of supplies and services to Odeco rigs, which has just been lifted after 23 days) in support of their long-standing demand for recognition and negotiating rights on behalf of members working aboard exploration vessels in U.K. waters.

Something of an albatross

The second was by Sir Frank McFadzean, chairman of "Shell" Transport and Trading. He described the Clyde Basin, where the Government is trying to concentrate yards for building concrete oilfield production platforms, as "something of an albatross around the necks of the contractors," which was contributing to poor productivity and seriously late delivery of these vital and expensive pieces of equipment.

Both criticisms are generalisations and should not be exaggerated. After all, Odeco itself (admittedly for understandable tactical reasons) does say that the Aberdeen-directed boycott did not seriously impair the operation of its U.K. sector rigs or affect its rigs in Norwegian, Dutch and Danish waters at all. In the case of the Clyde concrete platform yards, Sir Frank in his turn acknowledges that physical limitations and design changes have been as much to blame for late delivery as strikes.

On the other hand, there can be little doubt that oil companies, which are increasingly nervous about their ability to meet already severely-strained production targets, may now consider that a little judicious headline-grabbing on the labour front might concentrate minds wonderfully.



Glyn Genin

North Sea work in progress: on some rigs the four major unions involved claim to have gained majority membership, though several of the companies deny this

Of the two issues, the most important, because it has a crucial bearing on offshore production schedules, is the situation in the platform yards. There are now four operational yards for building steel structures—at Graythorpe, Teesside; Methil, Fife; and at Ardersier and Nigg in the Eastern Highlands. A further two yards for constructing concrete gravity structures—at Loch Kishorn and at Ardyne Point on the Scottish west coast—are working on orders, while a third is being prepared, under government licence in advance of an order, at Portavadie, on Loch Fyne. Between them these yards employ almost 7,000 people; they have delivered five major platforms and are now working on a further nine. Another four Scottish concrete yards are zoned for use if their companies can win orders.

The steel yards were in operation first and have had about a year more than the concrete yards to discover and settle labour and other difficulties. While the first major steel platforms, for the Forties, Auk and Piper oilfields, for example, were delivered up to a year late by the four east coast yards concerned, their follow-up orders all look like being delivered on time this summer, or even ahead of schedule.

There is a widespread assumption in the industry that the concrete yards will follow the same pattern of improvement.

British Petroleum's experience with its two contractors—Laing Offshore at Graythorpe and Highland Fabricators at Nigg—offers some measure of the improvement that has already taken place. The third of its four Forties field platforms is now being floated on to its location from the Teesside yard on time, and BP has administered an unaccustomed slap on the back for the management at the Nigg yard, which started its twin order for the same field two months behind Teesside but has caught up sufficiently for its structure to be delivered at the end of this month.

Each of the steel yards has suffered from strikes, sometimes on demarcation issues inherited from shipbuilding industry practice, sometimes on issues of recognition, and sometimes on straightforward wages issues, as employees have attempted to "leap-frog" wage increases awarded in competing establishments.

Two other factors seem clear. First, the shortness of the summer "weather window" for installing the platforms in the North Sea has made delivery schedules even more important than in conventional shipbuilding. There can be little doubt that this has increased the bargaining power of the workforces, and they have often not hesitated to use it.

Second, unsatisfactory conditions resulting from the notoriously-hectic scramble to complete the first "guinea pig" steel platforms, notably in the remote Nigg and Ardersier yards, contributed heavily to early friction.

At both these Highland yards substantial difficulties were created by the late decision to draft in teams of additional sub-contractors, notably in the welding trades. At its peak, Nigg was employing more than twice the 1,500-strong labour force which the yard management had calculated as its optimum complement. A similar situation developed at Ardersier where, somewhat against the inclination of the yard contractor, Occidental made an effort to accelerate the assembly of its Piper oilfield platform by bringing in extra welders.

Their arrival gave the Boilermakers Society the opportunity to try to break the Engineering Union's exclusive negotiating rights with the yard owners. This resulted in a month-long strike by sub-contracted welders which, while it did not prevent the bulk of the yard's permanent labour force continuing work, was nevertheless given by Occidental as the main cause for the yard's failure to meet last year's "weather window."

Some progress had now been made towards overcoming these difficulties. For instance, craft unions have arranged to harmonise wage agreements in all the steel yards from next January so that inter-yard "leap-frogging" cannot occur. There also appears to be a belated recognition by shop stewards that, in a situation of intensifying competition for scarce new orders, the yards' ability to stay in business will depend heavily on their reputation for smart delivery.

The situation in the concrete yards is complicated by the fact that the civil engineering groups involved in them have attempted to avoid recognition of craft unions which represent a substantial proportion of their site work-forces. The issue came to a head last autumn with a 13-week strike by electricians, boilermakers and some engineers at the first operational concrete structures yard, owned by the McAlpine-Sea Tank consortium, at Ardyne. The strike has been a major factor in delaying work on three platforms — for the Frigg gasfield and for Shell-Esso's Brent and Cormorant oilfields.

An agreement was cobbled together in January enabling craft unions at Ardyne to secure negotiating rights "at one remove" through site sub-contractors. According to the Engineering Union, this has since advanced to a point at which the craft unions have achieved "informal" recognition and negotiating rights direct with the parent company, McAlpine. To go further, however, will require ditching the TUC formula which has confirmed the building industry unions' supremacy in the concrete yards, while doing the same for the craft unions in the steel yards. The craft unions regard this as an unfair swap which will not work in practice for much longer.

While these unions are fighting each other over representation rights in the yards they are, in astounding contrast, co-operating fully in a joint effort to gain a foothold on the exploration rigs. For the past 18 months a 12-union offshore committee has been campaigning from Aberdeen, the main rig-service base in the country, for recruiting and negotiating rights aboard the 30 or so rigs now operating in U.K. waters. It is attempting to use its strength in the docks, engineering shops, lorry fleets and supply vessels to reach potential membership in the "factories" working to discover oil outside Britain's territorial waters.

In order to overcome offshore contractors' fears about having to deal with a multiplicity of competing shop stewards, working possibly disruptively among small crews, the unions have agreed to confine representation to four major unions—the T and G, the Engineers, the Boilermakers and the Seamen—which will act "as one organisation." The committee has cleared the first hurdle which had prevented it making effective contact with rig crews—its officials have been allowed to travel by helicopter to four rigs (owned by BP, Shell, Odeco and Sedco) to talk to off-duty crews.

Claim is denied

The committee's claim to have gained majority membership on some rigs is impossible to substantiate, and is denied by several of the companies. Equally, although few of the companies now admit to being opposed to unionisation in principle, it is a phenomenon which they (and particularly the predominant American operators) are not used to, and which they are certainly not seeking to encourage without solid evidence that their crews wish it.

The Odeco boycott represented an attempt by the unions to force the hand of one major operator. It resulted nominally from the recent demotion and subsequent dismissal of a union-recruited crane driver on the Odecio rig *Ocean Victory* after he had failed to observe a safety procedure. Affecting supplies to about eight rigs, the action has ended following an agreement to reinstate the craneman to a "lesser job" on board the *Ocean Victory*. Odeco insists that this does not mean it is prepared to recognise or establish negotiating procedures with the unions, though the union committee is bound to feel that it has inched further towards the creation of a negotiating precedent.

Ultimately, however, the unions may not get their foot properly in the door until the enactment, probably this autumn, of the Employment Protection Bill. This will permit them to apply to the Conciliation and Arbitration Service for an independent assessment of their claim for recognition, and, if necessary, for a ballot of rig crews. At this stage, it seems obvious that only an independent ballot will satisfy the major rig operators. But given the character of the labour traditionally engaged on the rigs, it is equally clear that the unions cannot be at all sure that they will get the reply they want.

Letters to the Editor

No bonus

From the Deputy Chairman and Managing Director, M. & G. Group

Sir,—Mr. N. J. E. Young (June 14) is, of course, absolutely right, and it is only to be regretted that the points he makes should still have to be made. The degree of misunderstanding (and sometimes of misrepresentation) about share price movements and rights issues was indeed greatly reduced as a result of the tireless efforts of Harold Wincott and others, notably the late Ian Fairbairn, some 15 years ago. The fact that it still persists is perhaps largely due to the continued use of the word "bonus" by certain lawyers and other professionals in whose jargon it has somehow become embedded. It should, of course, be outlawed absolutely from any such context.

In describing the market situation Mr. Young very properly uses the qualification "other things being equal." It is at least arguable that in a rights issue other things are never quite equal because sales by shareholders who cannot afford to take up the rights will always tend to depress the price. The so-called "bonus element" then actually becomes a "malus element." The other side of this particular coin is, of course, the fact that a rights issue traditionally offers a good opportunity for new investors: their gain is the existing shareholders' loss.

E. W. L. Palamountain.
Three Quays, Tower Hill, London, EC3.

Putting the heat on

From the Managing Director, Rolfite U.K.

Sir,—The letter from Sir Marcus Sieff (June 18) and the article by John Trafford (June 16) again highlight the real problems of energy use.

Any attempt at energy saving must begin at the point of converting fuel into heat. In other words the aim must be to obtain *and maintain* maximum combustion efficiency.

This means that as much energy as possible must be extracted from every drop of oil or cubic foot of gas for as long as required at the minimum cost. To do this with present day fuels requires the application of modern "chemical combustion technology."

It is no earthly use spending large sums of money on insulating buildings or putting in new boiler plant, if much of the "initial" heat simply "goes up the lum." This is simply shutting the stable door after the horse has bolted. Fuel oils can now be burned much more efficiently by chemical treatment in the tank and even gas can be more efficiently burned by means of a catalyst introduced into the flame.

Incentives to save energy are to be welcomed, but fuel users can themselves save more than the cost of treatment in responding to the national call to "save it."

Cyril G. Henson.
Debaff House, 56-58 Maypole Road, Ashurst Wood, East Grinstead, Sussex.

On the wrong track

From Mr. F. K. Sherborne

Sir,—In the tear-jerker from the General Secretary of the National Union of Railwaymen (June 17) great emphasis is given to the handful of workers who have done marginally better than the offer to his own members. No mention is made of the vast number of people, stretching almost to infinity, whose awards would range from just below that figure to nil. It is, of course, from increased taxation, to be borne mainly by this unfortunate group with no opportunity to protest, that Mr. Weighell largely expects his union's exorbitant and unwarranted claim to be met.

F. K. Sherborne.
"High Trees," Cudham Lane South, Cudham, Kent.

Rail pay

From Mr. G. Ashman.

Sir,—I would like, as a pensioner who is being rapidly ruined by the Mr. Weighells of this world, to reply to the latter's letter to you of June 17.

It was only ten months ago that his associate in the present 30 per cent. rail pay demand (Mr. Buckton) was expressing similar dissatisfaction. This was because Mr. Buckton had just been awarded a near 40 per cent. rise—29 per cent. backdated atop of a previous 7.6 per cent. He wanted 4½ per cent. more.

Could I ask, merely as a person whose taxation props up all this, whether the 38.8 per cent. of ten months ago plus the 30 per cent. now demanded will see one iota of extra work done to justify this Danegeld?

If my early teachings that two wrongs do not make one right are correct, then the seven wrongs quoted as a justification in Mr. Weighell's letter (what seven other trades have won) are certainly non-sequitus.

Let Mr. Weighell just count the number of individual pay increases that railway workers have had since nationalisation—that is, since the public purse paid all. Surely, that is enough.

G. T. Ashman.
Cam View, Meadgate West, Camerton, Avon County.

The Silent 80

From Mr. J. J. Satherley.

Sir,—James Ensor correctly states (June 17) that Vauxhall "built exclusive, powerful cars" before the General Motors takeover. The Americans took Vauxhall over in the 'twenties, not the 'thirties, and it is wrong to suggest that product quality immediately deteriorated as a result.

While Vauxhall cars reflected American technical design and styling — particularly from the early 1930s onwards — models like the Silent 80, Big Six and Twenty-five catered admirably for pre-war customers seeking quality and reasonable performance, who did not care for the complications or high chassis prices of more aristocratic saloon and limousine designs. With most 'thirties Vauxhalls the buyer had the advantage of mating simple mechanics to custom-built bodies by Grosvenor or Wingham.

Further down the scale the Vauxhall Fourteen of 1938-47 offered family motorists a subdued six-cylinder engine giving 70 mph. and a well-equipped interior. Later Wyvern and Velox models provided economical six-seater motoring for a modest outlay. I would say that Vauxhall's quality problems really started with the early Victors and ensuing models with wrap-around screens — all more rust-prone than usual — from 1957 onwards. Only then did it gradually become apparent that Opel was the better-quality mate of the stable, though some of their early-'sixties Kadetts and Rekords rusted just as badly as Vauxhalls.

Following favourable reports in the motoring Press on the latest Viva's durability record, it appears that Vauxhall is keeping quality much in mind. With Bob Price's directorship, we may well see the marque enjoying the new-found prestige of Opel.

J. J. Satherley.
30, Chiltern Gardens, N.W.2.

Sailing stamps

From The Director, Public Relations, The Post Office.

Sir,—I am sorry that Mr. P. J. Fox (June 18) and other customers had difficulty in obtaining the sailing stamps on the first day of issue, as well as the first-day covers. A combination of technical and industrial difficulties at the printers reduced the supply of this particular issue.

We arranged, however, for the Philatelic Bureau and philatelic counters to have priority of supply, and, as a result, we have been able to meet the order which Mr. Fox sent to the Philatelic Bureau for the stamps he was unable to buy at Canterbury.

R. E. Abbiss.
Central Headquarters, 23, Howland Street, W.1.

The wages of sin

From Mr. J. E. Macpherson.

Sir,—Your news summary of June 16 informs us that, first, Britain's inflation rate is now on a par with that of Brazil, at around 25 per cent., the only difference being that Brazil's rate is on the way down while Britain's continues to soar; and, second, that the Government is considering the report on MPs' salaries with rises of up to £3,000 p.a. as a possibility.

Are we really going to be treated to the spectacle of MPs' voting themselves salary increases to compensate for rises in the cost of living when so many of those they represent are having their living standards savagely eroded?

We have constantly been told that all will be well in about six months' time, the latest prediction being that price increases are likely to be down to an annual rate of 12-15 per cent. in the second half of the year. Up to the present, these predictions have been as worthless as our currency will become unless present trends are reversed. Could MPs not be shamed into suggesting that their proposed salary increase be held in abeyance for one year while they concentrate on Britain's most urgent problem? If at the end of that time inflation has indeed fallen to 12 or even 15 per cent., no-one would begrudge them the proposed increase, and, in the meantime, the rest of us would have been given a lead. Or have MPs so little faith in their will or capacity to control domestic events that they dare not give us a lead?

Certain MPs have, one knows, expressed reservations about the morality of voting themselves increases at this time but the majority appears to have no such inhibitions. Why should guilty men be allowed to protect themselves from the results of their own policies? What is the difference between that and powerful trade unions steamrolling wage increases at the expense of their less grasping brethren?

J. A. E. Macpherson.
Doles Farm, Polstead Heath, Colchester, Essex.

Convertibility

From Mr. W. Houlihan.

Sir,—Is it unrealistic to suppose that the U.S. is now reviewing its policy regarding the convertibility of the dollar? Offering gold as it has done, and intends to do, for the present in limited quantities, can we not look forward to full restoration of convertibility in the near future? Payment in gold as an alternative to payment in dollars, and, moreover, conversion of overseas dollar holdings into gold. To act before the French draw the logical conclusion from the U.S. stance and insist on full implementation, would prove to the doubters that the U.S. authorities are more than willing to pay the full price of dollar imperialism.

Until the holders of U.S. dollars are given full access to the 280m. ounces of gold through the option of convertibility, it is difficult to destroy the argument that the U.S. authorities are bluffing and are displaying a lack of confidence in their currency as the pre-eminent store of value.

W. J. Houlihan.
20, Richmond Court, Queens Road, Kingston, Surrey.

Inflation

From Mr. R. Kisch.

Sir,—Only a drastic change in policy can improve the U.K. economy. I suggest the following.

Abolish income tax, surcharges, capital transfer tax and capital gains tax. This restores the incentive to earn and so increases productivity. Tax all sales at one simple rate, except for foods in their natural unprocessed and unpackaged state. This restores the incentive to save.

Tax avoidance and non-compliance is therefore reduced — tax collection being at the point of sale as VAT. The simplicity of the scheme will make for wide acceptance. A side benefit would be a reduction in taxation administration staff who will then have to become productive.

The inflation spiral will be self-generating so long as workers have to demand more and more gross money for a very small net increase as the tax scale bites harder and harder. If income tax is abolished then inflation should stop.

R. A. Kisch.
"Villa Martinique," Chemin du Moulin, St. Ouen, Jersey, Channel Islands.

Laying bets at the Wimbledon garden party

BY JOHN BARRETT

ALARM BELLS are sounding along the respectable corridors of the All England Lawn Tennis and Croquet Club, scene of the 89th Championship meeting which begins on Monday. The reason for all the fuss? Money—the easy kind that can be won by a sound knowledge of form and quick judgment. Thursday's announcement that the players would not be allowed to place bets at the William Hill tent on the ground resulted in some best forgotten scenes of astute opportunism inside the Ladbroke tent at the John Player tournament in Nottingham, the first occasion to my knowledge of an official betting tent being allowed at the site of a tournament. Whether Wimbledon was wise to allow a betting tent at all is perhaps doubtful.

But the players were only taking advantage of a situation they did not create. Of course, they have been indulging in off-court betting for years, an activity (like the betting through nominees by jockeys) that it is impossible to prevent. But the only really worrying aspect of this affair is the danger of fixed matches, and this could surely be avoided by not allowing bets to be placed on individual matches—only on the eventual winner of the tournament.

Leyland cars

It is ironic that the progressive All England Club, whose enlightened attitude in 1968 was largely responsible for introducing open tennis, should have its well-merited aura of respectability threatened by what many regard as an over-zealous attempt to remain in the van of progress.

For the activities in other areas of this first commercialised Wimbledon make sound sense. Three years ago the first tentative steps were taken when a fleet of British Leyland cars were allowed to replace the hired vehicles which daily shunted the players to and from the ground, to save the club approximately £16,000.

This year, by selling the rights to some of its suppliers, by renting an entertainment marquee and by allowing the gamblers to move onto the hallowed turf beside the public tea lawn, the Championship committee will increase its income in this first experimental year by more than £60,000. This will ultimately find its way back into the British game by increasing the LTA share of profits. In future years that figure could be more than doubled by renegotiating the catering contract, by building a commercial village, and by looking to every aspect of organisation for any commercial advantage.

Prize money

Wimbledon is the last of the great world Champsionships to turn to commercialism, and not surprisingly it has acted with good taste. In America, France, South Africa, Australia and elsewhere where gate receipts and TV income are lower, the signs of commerce are everywhere—literally. At the Stade Roland Garros in Paris two weeks ago there were more than 20 boardings around the centre court and at Forest Hills in New York the Stadium court is dominated by an enormous cigarette advertisement above the electric scoreboard, and each event is even given the name of its sponsor.

More than ever to-day money is the name of the game. In 1968, the first year of open tennis, the prize money at Wimbledon was a modest £26,150. This year the players will divided £108,875 with an additional £6,000 going into the Commercial Union Grand Prix pool and a further £1,000 going to pay for the administration of the International Lawn Tennis Federation. The men's winner will take away £10,000 and the successful woman £7,000. The French championships this year had similar prize money and the U.S. Open will not be far behind.

Whereas in 1968 prize money was measured in thousands today there are literally millions to be won. In 1974 the men played for $4.5m. in the Grand Prix and WCT circuits alone and the Women's Virginia Slims tour produced another $500,000. To that must be added at least another $2m. paid to players by the 16 cities of Team Tennis, not to mention the countless smaller tournaments and exhibition matches that increased player income.

Jimmy Connors: a bank account swollen by a staggering $747,300.

This year, even before considering team tennis or exhibition matches, there will be a total of $6.3m. at stake (Grand Prix $3.5m.; WCT $2m.; Virginia Slims $900,000) but even these impressive rises are dwarfed by the ridiculously rich head-to-head television matches played recently by Jimmy Connors in Las Vegas. For the first of these, against Rod Laver, Connors pocketed $100,000 and the second, against John Newcombe, a mammoth $250,000 plus one-third share of the TV revenue which was estimated at approximately $600,000. Earlier, Connors had also won the U.S. indoor circuit so that by the end of April his bank account had been swollen by a staggering $747,300 which dwarfs his 1974 earnings of $281,309 and eclipses the previous record of $292,717 set by Laver in 1971.

The women, too, are growing rich. The 20-year-old American prodigy Chris Evert, set a record with earnings of $261,460 last year, and has amassed $248,000 so far this year, with a big part played by her victory, again, in the Virginia Slims tour, with its first prize of $40,000. Then there is the young Czech champion Martina Navratilova, whose victory over all the world's leading women has been a feature of this year's tournament scene and has earned her a number 2 seed position next week. Last year she was in 13th place in the prize money list with earnings of $31,392, but this year she lies in second place with earnings to date of $115,163.

Even the old timers are cashing in on the boom. The Grand Masters tour, a series of sponsored tournaments in America, has been the show-case for the talents of many old favourites like Frank Sedgman, Pancho Gonzales and Vic Seixas. Sedgman was the top earner last year with $23,865—not bad for a man who won his Wimbledon title as long ago as 1952—and his prospects for 1975 must be even greater as the tour moves to Europe and the Far East.

While the tennis boom—part of the leisure industry expansion attracting so much interest among companies looking for opportunities for diversification—is worldwide, the major expansion has occurred in the U.S. A 1974 survey showed that 34m. Americans play tennis, 23.4m. of them regularly. They spent $230m. that year on rackets and re-strings, $100,000 on tennis balls and a further $200,000 on clothes and shoes. Including associated activities like court construction, the development of indoor centres, tennis camps and clinics, television sponsorship, gate receipts, book sales, and so on, the American tennis industry turned over an estimated $608.3m. in 1974.

Perhaps the greatest task of the Professional Tennis Council, which brings together ILTF and player representatives to govern the tournament game, is to control this flood of money, which continues despite the apparent world recession. Its job is not made any easier by the anti-trust laws in America, which make it impossible to prevent anyone promoting a new event even if it clashes with an existing one.

At the level of player participation, the opportunities to earn ever larger sums have brought increasing pressures to bear on the participants. Inevitably, perhaps, there has been a growing impatience with the standard of umpiring and line calling. The unedifying departure of Ilie Nastase from the British Hard Court Championships at Bournemouth was unfortunate because the decision which led to it was patently wrong. Nevertheless authority must be upheld, and perhaps would be more easily if the unyielding attitudes of some officials were softened and if eye tests and even age limits were introduced.

Resentment

What we must avoid is the wholesale loss of confidence by players and officials in each other's behaviour which lately has threatened to undermine the whole fabric of match play. It is the glaring errors which cause so much resentment. The answer might be for the players themselves to call the lines, referring to the umpire only when they disagreed. The umpire's decision would be final, and if he too was undecided a let would be played. After all our own keenly disputed county week matches have existed most successfully for years without any umpires at all.

Garden party

In trying to keep pace with the quickening pulse of world tennis there is of course a danger that Wimbledon might lose its precious and unique garden party atmosphere that has been so jealously guarded over the years, and which the paying public care about just as much. Undoubtedly the sheer weight of competition will force prize money at other events higher still, and Wimbledon will have to resist the temptation to compete.

Most people believe that the players are already paid quite enough and are eager to see more development work being done at the club level. There is even an argument that Wimbledon should embrace sponsorship in all its forms to create a reservoir of finance which could be drawn upon to build those covered court centres which are signally absent from the British tennis scene.

However, that lies in the indefinable future. The experiment in commercialism has only just begun, and we must trust that common sense will see to it that it does not harm one of our most cherished sporting occasions.

LABOUR NEWS

Pilkington workers accept 35% deal

BY JOHN WYLES, LABOUR REPORTER

MANUAL WORKERS employed by the Pilkington glass company have voted by a majority of 2 to 1 to accept a pay offer that will increase basic rates by up to 35 per cent. above levels of a year ago.

The deal is well in line with the "going rate" in public sector pay settlements and will be seen as an indication that key industries in the private sector are not lagging far behind.

Up to 9,000 Pilkington workers at 12 manufacturing plants are covered by the new deal which will establish a new minimum basic rate of £41.25 a week from June 28. This includes the consolidation of existing threshold payments amounting to £6.40 a week and an additional £3.60 in "new" money. Total increases in basic rates throughout the wage structure will range from 31 to 35 per cent.

The deal also includes a new threshold arrangement which will yield 40p a week rises for each percentage increase in the retail price index above an index reading of 136. Rises may well be triggered soon in view of the fact that last month's index touched 134.5.

The pay ballot was conducted by the General and Municipal Workers and 67 per cent. of the workers covered by the offer voted.

Mr. David Warburton, the GMWU's national officer responsible for the glass industry, said yesterday that his members had agreed to the deal "on the basis that job security will become as much a company priority as it is to us."

Respect social contract TGWU leaders urge

BY OUR LABOUR REPORTER

A CALL to the 1.85m. members of Britain's largest union "to avoid unnecessary inflationary pressure" was issued yesterday by leaders of the Transport and General Workers Union in their report to the union's biennial conference which opens in Blackpool in ten days' time.

With the social contract bound to come under Left-wing fire at the conference, the TGWU national executive claims in its report that "all our efforts to maintain and improve conditions for all of the membership may be summed up in the logic of our support for the social contract."

Pointing out, nevertheless, the difficulties of observing the TUC's pay guidelines the TGWU argues that it is unfair for every dispute to be attacked by opponents as a breakdown of the contract. But if the Government is to fulfil expectations on pensions and other policies TGWU members should recognise "the need to keep rising wage costs generally in line with the cost of living and to avoid unnecessary inflationary pressure."

At the conference, Mr. Jack Jones, the TGWU general secretary, may well use an improvement in the union's finances to support his argument that the social contract has reduced the number of strikes.

The report shows that during 1974, the TGWU paid out £320,471 in dispute benefit, £232,000 less than the year before. Overall the union's total funds increased by £5.1m. over the year, to stand at £25.43m. Since the end of 1972, the union has made further progress towards its 2m. membership target by recruiting an additional 111,074 to bring total membership to just over 1.85m.

Dispute ends

A five-week strike by 2,000 Westland helicopter workers at Yeovil, Somerset, ended yesterday when the men accepted a deal, giving them an average rise of £8 plus better sickness benefits and a new bonus system.

Raise wages to cut jobless, says AUEW

BY OUR LABOUR REPORTER

A SEVEN-POINT programme to combat rising unemployment was approved yesterday by the Amalgamated Union of Engineering Workers' annual conference in a swift response to Thursday's unemployment total, which was the highest for any June since 1948.

Having already pledged support to members taking industrial action against threatened redundancies, the conference voted in its last session for an emergency resolution spelling out the steps to be taken to counter "the unacceptable level of unemployment."

These included maximum support for all workers affected by redundancy, a shorter working week and longer holidays, cuts in overtime and a boost to consumption through higher wages, pensions, and social security benefits.

● Scottish miners, already demanding £100 a week for face workers and introduction of a four-day week, yesterday added five more items to their list of claims. Delegates attending the Scottish area conference of the National Union of Mineworkers supported demands for doubling the pensions of retired miners and their dependents, with a review every three months. They also want the retirement age for miners to be lowered to 60, and four weeks holiday a year.

Mr. Mick McGahey, the NUM's Communist vice-president, agreed that the list of demands at this year's conference was almost unprecedented. But he had no intention of apologising for it, he said.

"The catalogue of demands is more or less in line with the miners' charter which we formulated last year."

Labour Party plans staff cuts to meet £94,000 loss threat

BY RICHARD EVANS, LOBBY CORRESPONDENT

MR. RON HAYWARD, general secretary of the Labour Party, has warned the party's national executive committee that Labour's financial situation is so grave that a major rescue operation will have to be mounted, probably involving staff reductions.

Mr. Hayward discloses in a statement sent to all NEC members and which will be discussed at a meeting on Wednesday, that the party's accumulated deficit is expected to reach £719,000 by the end of 1977 if no action is taken.

Figures show that the deficit of £129,000 at the end of 1973 increased by £41,000 last year and will be an anticipated £94,000 this year, £183,000 in 1976 and £272,000 in 1977.

Against these deficits in the party's general fund is an estimated £375,000, but of this, £127,000 in Labour Party Properties Limited is not readily realisable. And as Mr. Hayward points out income from affiliation fees will rise by not more than 12 per cent. a year whereas expenditure is rising by more than 20 per cent.

Drastic moves

"From the figures shown it is obvious that drastic economies at national and regional level will need to be made quickly and energetic steps taken to increase substantially the party's regular income," he states.

Short-term economies proposed include committee's revising current budgets and an immediate cutback in delegations travelling abroad.

In the longer term, Mr. Hayward points out that salaries account for about 70 per cent. of the total expenditure and reduction of workload would therefore save little unless accompanied by a cut in staff.

"Urgent consideration must be given to the present complements in departments and to the necessity of filling vacancies created by natural wastage."

Mr. Hayward adds that he had already given instructions that no overtime was to be worked without his permission. He also advocated cutting the number of staff attending the party's annual conference and reducing their expenses.

He accepts that such economies alone would not solve the party's difficulties and recommens a direct appeal for funds to affiliated organisations and to the party membership, "setting out the seriousness and urgency of the situation." Individual members of the party should also be approached.

The initial reaction to the letter last night fro mthe Labour Party's Staff Council was one of criticism of Mr. Hayward for apparently concentrating on staff reductions rather than fund raising.

It was claimed that with 5.5m. affiliated trade union members only a modest increase in fees would be needed to cover the anticipated deficit.

First quarter profits rise $2\frac{3}{4}$%; incomes jump 8%

BY WILLIAM KEEGAN, ECONOMICS CORRESPONDENT

THE DECLINE of company profits' share in total U.K. domestic income continued in the first quarter of this year, according to preliminary figures of gross domestic product isued by the Central Statistical Office yesterday.

Between the fourth quarter of last year and the first quarter of this, gross trading profits of companies (net of stock appreciation) are estimated to have risen $2\frac{3}{4}$ per cent. on a seasonally adjusted basis to £1.41bn. This compares with an 8 per cent. jump in income—from employment—to £15.51bn.

A comparison of the change between the second and third quarters of last year and the period last October to March this year shows that income from employment went up almost 17 per cent., but that gross trading profits of companies—both before and after deducting stock appreciation—were little changed.

Between the second half of 1973 and the latest six monthly period, gross trading profits after deducting stock appreciation fell at an annual rate of 3 per cent. as against a 28 per cent. per annum increase in income from employment.

As a result of inflation there was a rise of $9\frac{1}{2}$ per cent. in the U.K.'s nominal gross domestic product at factor cost in the first quarter—to £21.53bn.

In real terms, however, there was little change in the U.K.'s gross domestic product between the last quarter of 1974 and this year, according to the preliminary estimates.

These figures, which have an air of ancient history by comparison with what has been happening to industrial production and unemployment in recent months, show that GDP declined almost imperceptibly between the two quarters—from 101.3 to 101.2 (base 1973=100) according to the average of income, expenditure and output data.

The output estimate—considered the most reliable for short-term movements—shows a similar pattern, with the index down from 99.0 in fourth quarter 1974 to 98.9 in January-March this year (1973=100).

In general, both measurements present a virtually flat picture of the economy since the months after output recovered from the three-day week early last year. This contrasts with the appreciable downturns experienced in many other advanced economies.

With industrial production itself falling slightly in the first quarter, items serving to boost the economy were exports of goods and services, and (non-manufacturing) investment.

Total fixed investment rose over $3\frac{1}{2}$ per cent. between the second and third quarters of last year and the six months last October to March this year, with investment in North Sea oil equipment a main source of buoyancy.

In the first quarter of the year, manufacturing investment fell over 8 per cent., however.

Record £350m. offer of Treasury bills next week

BY MICHAEL BLANDEN

A RECORD total of £350m. of Treasury bills is to be offered to the market at next Friday's tender.

The offer, after the large tenders made in recent weeks, which have reached £300m. on several occasions, is seen by the market as reflecting the heavy central Government borrowing requirement. It is also felt that the Treasury bill issues may be a method of mopping up some of the liquid funds which have been freely available in the short-term money markets recently.

It is not expected that the large offer, replacing £150m. of maturing bills, will make a major impact on interest rates. Yesterday an offer of £250m. of bills was met by applications of £438.8m., and the average rate dropped slightly to 9.4074 per cent. against 9.4148 last week.

This left the Bank of England's minimum lending rate to the money market unchanged at 10 per cent., where it has stood since May 2.

This week's Bank of England Quarterly Bulletin has drawn attention to the problems of financing the Government's borrowing requirement.

COMPANY NEWS + COMMENT

Henlys down by 35% in first half

FIRST HALF group pre-tax profit of motor agents, Henlys, decreased by 35 per cent. to £693,000, compared with a 40 per cent. fall envisaged last April.

In spite of a 26 per cent. decline in the volume of new car sales, the reduction of profits at the gross trading level was limited to 7 per cent., says the chairman, Mr. G. Chandler.

Prospects for the rest of the year remain indeterminate. Although the interest charge will be substantially higher for the year, economies made in levels of working capital are producing marked benefits.

The trend of new car sales is disappointing, and Mr. Chandler emphasises that the frequency of price increases on new cars is causing considerable difficulties from marketing and financing aspects, and that the industry does urgently need to establish a more stable pricing policy.

Used cars continue to be sold at a higher rate than in 1974, and after the slow start to the year, machinery sales by the construction equipment division made satisfactory headway. The contract hire, service, parts and forecourt sectors which in general had a good first half-year, are continuing to do well, the chairman adds.

Earnings per 20p share for the half year decreased fro m4p to 2.7p. A same again net interim dividend of 1.75p is declared. For the year to September 30, 1974, a total of 5.3643p was made from profits of £2.41m.

	Half-year 1975 £000	1974 £000	Year 1973-74 £000
Turnover*	59,700	57,700	118,400
Trading profit†	1,335	1,433	3,274
Interest	642	373	865
Profit before tax	693	1,060	2,409
Taxation	291	617	1,291
Net profit‡	302	443	1,018
Extraord. credits	??	775	**206
Available	339	771	1,224
Preference div.	5	5	10
Attributable Ord.	334	766	1,214
Ordinary div.	191,000	191,000	595,000

* Excluding taxes. † After depreciation £172,000 (£471,000). ‡ Profits on disposal of properties. ** After £145,000 terminal losses on partial closure of French subsidiary.

● comment

With volume sales from Henlys following the general pattern of new car sales and down by about a quarter, it has been higher selling prices, and only a 10 per cent. fall in trading margins, which has limited the trading profits slip to 7 per cent. However, while increased unit prices are supporting trading profits, the resulting demand on working capital requirements has pushed up interest charges by 72 per cent. against the comparable period, or 30 per cent. above the preceeding six months, and depressed pre-tax profits by 35 per cent. Henlys is moving to reduce stocks, and although by September stock value and debt level may be about the same as last time, this should result in pulling back interest charges in the current period, admittedly helped by lower rates. Traditionally the current six months is the busier period but as new car sales are looking so uncertain it may not prove the case this year. Anyway, a yield of 20.3 per cent. at 42p is not asking for much.

HIGHLIGHTS

Legal and General is making a cash call on shareholders for £23.8m. in a one-for-five rights issue at 103p a share, which will broaden the solvency margin. This is discussed in the Lex column, where there is also comment on the Haw Par/London Tin situation. An encouraging interim statement comes from Turner Manufacturing; but Henlys' first-half profits are down, though by rather less than suggested at the meeting last April. Dimplex has been hit hard by the steep decline in the storage radiator market while problems of the construction industry have affected A. Monk.

Turner MFG first half upsurge

DESPITE WORLD-WIDE trading difficulties, sales of Turner Manufacturing Company increased by 54 per cent. to £8.11m., and pre-tax profit advanced from £0.6m. to £0.86m. in the 25 weeks to March 22, 1975. Earnings per 25p share rose from 2.9p to 4.1p. The company manufactures commercial gearboxes.

The sales increase was due to some extent to inflation and to the effects during last year of the three-day week, but to a greater extent with due to the continued growth in sales of existing and new products both in the U.K. and overseas, says the chairman, Mr. S. V. Lancaster.

Subject to no major disruption being experienced by either suppliers or customers, it is expected that profits for the second half will continue at a simiar level. Profit for the year to September 29, 1974, was £1.29m.

Having regard to the increase in profits and in order to reduce disparity between the interim and final dividends, an interim dividend of 1.21875p per share (0.92334p) is declared. Last year's total was 3.015p net.

	25 weeks 1975 £000	1974 £000	Year 1973-74 £000
External sales	8,106	5,252	12,611
Profit before tax	860	599	1,291
Taxation	447	311	731
Preference dividend	2	2	4
Ordinary	122	92	301
Balance	289	194	255

● comment

Turner Manufacturing's 44 per cent. first half profit increase is enhanced by comparison with a period depressed by the 3-day week. However, this consideration apart, the group has undoubtedly shown remarkable resilience at a time when the motor industry (and those dependent upon it) have been experiencing a rough time. Turner puts this down to the fact that roughly 30 per cent. of the business is in truck gearboxes and spares and that it has been the extreme ends of the commercial vehicle market that have suffered, leaving the medium range relatively unscathed. Particular strides have ben made in exports—now between 15 per cent. and 20 per cent. of the total business. In addition, argricultural tractors (20 per cent. of group activities) and aircraft (12 per cent.) have remained stable, and in certain areas are even up. Hydraulics, too, has held its own. Current schedules suggest the group is continuing to go against the common experience, while Turner can boast that its balance sheet has not deteriorated and that a net cash balance is retained. The shares at 53p, against a 1975 low of 16p, yield 8.7 per cent.

Geo. Wills sees record year

With internal management accounts for the first five months of 1975 to hand, Mr. P. Wills, chairman, told the annual meeting of George Wills & Sons (Holdings) that the merchant and confirming house group was on target for yet another record result.

In 1974, pre-tax profit rose to £891,000 from £651,000, but Mr. Wills expressed the view that the dramatic growth of the last two years was probably over for the time being.

MATHER & PLATT

Mather and Platt proposes to substitute for its present borrowing limit an overall borrowing on a group basis equal to the paid up capital of the whole group as shown by the latest group balance sheet.

On the passing of the resolutions, coupons of the 7¼ per cent. Debenture stock 1987-92 and 10½ per cent. debenture stock 1995-2000 will be increased by ½ per cent.

Meetings July 14.

E. Austin pays more: tops £0.3m.

ON A TURNOVER up from £2.3m. to £2.82m., pre-tax profit of E. Austin and Sons (London) advanced from £243,174 to £302,954 in the year to March 31, 1975, after £118,500 (£75,000) for the first half.

Earnings per 25p share for the year increased from 11.28p to 14.55p, and the dividend is raised from 2.675p to 2.907p net with a final of 1.932p.

Tax absorbs £148,732 (£123,594). There is a charge arising from the change in basis of depreciation, less deferred tax of £14,236, of £13,142 (nil).

Deferred tax adjustment resulting from the increase in the rate of corporation tax is nil (debit £37,561).

The business is that of materials handling and warehousing and the manufacture of industrial cleaning cloths.

Incledon & Lamberts on target

GROUP PROFIT, before tax, of Incledon and Lamberts increased slightly to £619,402 in the year to March 31, 1975, compared with a forecast of approximately equal to the previous year's record £609,636, after £351,319 (£285,711) for the first half. Turnover for the year was up from £4.45m. to £4.77m.

Earnings per 25p share were down from 6.9p to 6.48p. A final dividend of 2.309p raises the net total from 2.801p to 3.044p. The company manufactures plastic pressure pipes and lifting tackle, etc.

Managers defer decision on Coats Patons

The Association of Unit Trust Managers decided at its meeting yesterday to defer consideration of any formal protest against Coats Patons' omission of its 1974 final dividend until nearer the group's annual meeting on July 11. Before this week's publication of the Coats' report and accounts, and the indication by the chairman, Mr. Charles Bell, that dividends at 12½ per cent. above the 1973 level should be resumed for 1975, the Association's intention had ben to advise members to vote against the adoption of the report and accounts at the annual meeting.

Unit trust managers are now anxious to see how the views of the investment protection committees of the pension funds and insurance companies on the matter develop before they reach final conclusions on advice to their own members. They expect to meet again on Wednesday, July 2.

Dimplex £0.68m. deficit

A GROUP pre-tax loss of £0.68m. was incurred by Dimplex Industries for the year to March 31, 1975, compared with a profit of £1.01m. for the previous year, after substantially increased interest charges of £0.92m., against £0.33m.

When reporting a 28 weeks loss of £0.5m. (profit £0.5m.) last November, the directors said they believed those losses would not continue for the remainder of the year.

There is no dividend, compared with a net total of 1.88732p net per 5p share for 1973-74.

Objectives for the current year are to improve cash flow, reduce bank borrowing and return to profitable growth, the directors state.

They point out that adverse publicity last year concerning electricity tariff increases, especially off-peak tariffs, confused the consumer and had disastrous effects on home market sales; particularly the total storage radiater market which declined by about 60 per cent.

From September, action was taken to reduce the whole scale of operations, by cutting production and slashing overheads.

Cash flow deteriorated to a critical level in December but has shown some improvement during the last quarter of the financial year due to the stringent measures taken.

Lower home sales and the need to curtail production restricted ability to reduce stocks. This led to a substantial increase in borrowing.

	1974-75 £	1973-74 £
Profits	233,839	1,347,075
Interest*	918,790	334,498
Loss before tax	684,951	†1,012,577
Tax credit	326,769	‡313,306
Net loss	358,182	†699,271
Dividends	¶3,650	§237,504
From general reserve	330,000	¦150,000
Forward	25,667	35,799

* Short-term £818,105 (£334,498) and long term £100,685 (nil). † Profit. ‡ Charge. ¶ Waiver. § Paid. ¦ To reserve.

● comment

The best that ca nbe said about Dimplex's results is that the second half of the year has produced losses of £184,000 compared with mid-way losses of £501,000. However, bank borrowings, though undisclosed, clearly run into several million pounds and together with a long-term loan of about £1m. compare with a net worth of £4.5m. las year which is now subject to attributable losses of £350,000. The severely reduced U.K. storage heater market may be worth up to 300,000 units this year, but with the bulk of the company's potential 40 per cent. market share already lying in stock, only a minimal level of production will be possible in the current year (except for exports which accounted for about a third of sales value last year). The share price was unchanged at 5½p last night.

DIVIDENDS ANNOUNCED

	Current payment	Date of payment	Corre-sponding div.	Total for year	Total last year
E. Austin	1.93	—	1.8	2.91	†2.68
Avenue Close	1.15	—	*0.93	1.15	*0.93
Batleys	2.03	Aug. 12	1.8	2.72	2.5
British & American Film	1.41	—	1.29	1.41	1.29
Dimplex	nil	—	1.09	nil	1.89
Dundee & London ...int.	0.7	July 18	0.7	—	1.7
Finance & Ind. Tst. ...int.	0.95	July 30	0.93	0.95	0.93
Henlys ...int.	1.75	Aug. 12	1.75	—	5.36
Incledon & Lamberts	2.31	Aug. 14	2.07	3.04	2.8
Leadenhall-Sterling	2.17	—	1.93	3.05	2.81
A. Monk	2.68	July 31	2.68	3.93	3.93
Raeburn Investment Tst.	1.05	Aug. 14	1.05	—	3.0
John Swan & Sons	16.12	—	14.77	16.12	14.77
Turner Mfg. ...int.	1.22(b)	July 25	0.92	—	3.02

Dividends shown pence per share net except where otherwise stated.
* Equivalent after allowing for scrip issue. † On capital increased by rights and/or acquisition issues. (b) To reduce disparity.

Leyland Paint runs into the red

ANNOUNCING A pre-tax loss of £68,000 for the half year to April 5, 1975, compared with a profit of £254,000, the directors of Leyland Paint and Wallpaper say that despite results and inflation, there has been no material change in the company's liquid position and the second half should produce a more acceptable return.

Stated loss per 25p share is 1.4p basic, compared with 2.2p earnings, and 0.8p loss fully diluted, against 2p earnings.

The directors decided to defer a decision on the interim dividend until the autumn "when the picture for the year will be clearer." For the full year to September 30, 1974, dividends totalled 3.10625p net, with an interim of 0.91875p, and pre-tax profit was £960,000.

In their interim statement, the directors explain that the disappointing results stem from a marked decrease in the volume of sales of wallcoverings, as a result of destocking in the industry, both at home and abroad. Also, the commissioning period for the new manufacturing plant at Leyland Vinyls was longer, and more expensive, than had been anticipated, although the plant began operating successfully in January and was profitable in the second quarter. Double shift working on the plant started during April and should contribute an acceptable profit in the second half, they add.

Paint sales have kept close to their forecast level and the retail dvision has operated ahead of budget. The indications are that "paint sales will continue at a satisfactory level and some recovery is indicated in sales of wallcoverings, the response to the new vinyl and wallpaper collections being good."

Sales of the company's products follow a seasonal pattern, the five low volume months falling in the first half year, so that any additional adverse factors in this period has a disproportionate effect on profitability, they conclude.

	Half-year 1974-75 £000	1973-74 £000
U.K. turnover	6,782	5,425
Overseas	954	1,128
Total	7,736	6,553
Group trading profit	175	444
Share of associates	19	37
Interest payable	262	227
Loss before tax	68	†254
Tax	10	129
Loss after tax	78	†125

† Profit.

to profitability over the first six months of 1975, chairman Mr. Arthur Sugden told the annual meeting.

Mr. Sugden said it was "reasonably certain" accounts for the half year would demonstrate a return to profitability and provided there was no economic deterioration and a slight improvement in property value "it should be possible to return to the dividend lists at the end of the year," he added.

FC Finance is 84 per cent. owned by The Co-operative Bank.

Gidding & Lewis Fraser record £0.4m.

Continuing its improvement in the second half, Giddings and Lewis-Fraser, machine tool manufacturers, announces a record pre-tax profit of £402,000 for 1974, compared with a loss of £40,000 the previous year. Turnover was up from £4.2m. to £5.22m.

And the chairman, Mr. H. C. Soukup, says that with continued attention to cost control and improvements in procedures and systems, 1975 should be "profitable."

At half-time, with pre-tax profit at £178,845, against a loss of £67,644, the directors forecast a profitable year.

The chairman says that in view of the rather gloomy economic outlook they are expecting a new order intake of about £5m. in 1975. This new business, coupled with a backlog of £5.2m. at the start of the year, gives reasonable expectations of shipping £5.75m. for the year.

Stated earnings are 26.5p per £1 share, against 2.6p loss.

Interest charges are down from £177,000 to £132,000. Tax is nil (same) and there is an extraordinary credit of £257,000 (£25,000 debit).

F. C. Finance

FC FINANCE, which incurred a £137,000 loss in 1974 after making provisions of £1.8m., has returned

Second half upturn at Batleys

REFLECTING a second half improvement from £169,650 to £202,883, pre-tax profit of cash and carry wholesalers, Batleys of Yorkshire, improved by £12,000 to £293,483 in the year ended April 26, 1975.

And chairman Mr. Lawrence Batley reports that good progress is being made by the company's three warehouses and Wakefield Wine Company, with sales at all places better than ever before. He looks forward to the future "with confidence."

The results include Wakefield Wine from January 14, 1975.

Stated earnings per 10p share are up from 3.8p to 3.88p and dividend total is raised from 2.5p to 2.7167p net—the maximum permitted—with a final of 2.0167p.

Dividend waivers total £35,036 (£26,243).

	1974-75 £	1973-74 £
Turnover	21,908,444	16,458,944
Trading profit	282,132	232,328
Profit before tax	293,483	281,552
Net profit	139,738	136,941

J. H. Dennis forecasts at least £0.3m.

First half pre-tax profit of engineers and chemical manufacturers, James H. Dennis and Co., expanded from £74,500 to £182,000, and the directors forecast an increase from £209,459 to over £300,000 for the year to August 31, 1975.

Net earnings per 10p share rose from 1.68p to 4.25p for the six months, and the net interim dividend is raised from 0.735p to 0.86p. Last year's total was 1.58p.

	Half year 1975 £	1974 £
Group turnover	2,122,752	1,461,632
Profit before tax	182,030	74,500
U.K. tax	69,000	22,000
French tax	24,880	17,000
Net profit	87,000	35,500

The profit includes the proportion of the profits of La Cornubia after the deduction of the minority interest.

All the group's activities continue to be profitable but the second half will not be as profitable as the first. There has been a fall in demand for the chemical products of La Cornubia in France and for high grade iron castings in the U.K., the directors state.

Initial trading losses will also be sustained in respect of two new subsidiaries formed since February 28, namely Fyrex Sarl in France and Knowsley (Pty.) in South Africa, both of which have been formed to market the group's products by more direct means in potentially valuable markets.

Although the insurance claim for loss of profits and additional costs of working arising from the fire in January 1974 remains unsettled, the directors are satisfied that it will be brought into account during the current year.

RESULTS AND ACCOUNTS IN BRIEF

STREETERS OF GODALMING (Public works contractors)—Results for 1974 reported June 13 with observations on prospects. Group fixed assets £1.74m. (£1.8m.). Current assets £2.87m. (£2.67m.). Current liabilities £2.12m. (£2.26m.). Meeting Connaught Rooms, W.C. on July 8 at noon.

CARLESS CAPEL AND LEONARD (refiners of hydrocarbon solvents)—Results for year ended March 31, 1975, reported June 11. Group fixed assets £3.11m. (£2.26m.). Current assets £4.6m. (£3.7m.). Current liabilities £3.37m. (£3.55m.). Meeting, Winchester House, E.C. on July 9, at noon.

RIVERVIEW RUBBER ESTATES—Results for 1974, already known. Fixed assets (Malaysian $) $5.41m. ($4.35m.). Current assets $319,671 ($463,334). Current liabilities $1.11m. ($353,317). Investments at cost (market value $1.93m.—1973 $1.48m.) $2.66m. ($1.9m.). Meeting, Ipoh, Malaysia, on June 21.

BUCKLEY'S BREWERY—Results year to March 29, 1975, reported June 6. Turnover £4.11m. (£3.35m.). Fixed assets £4.66m. (£3.78m.). Investments, etc. £6.74m. (£6.72m.). Net assets £4.35m. (£4.3m.). Directors' remuneration includes £2,600 compensation for loss of office. Volume of sales of own beers increased by 3.7 per cent. Meeting, Llanelli, July 4, at 11 a.m.

RONKSLEY INVESTMENTS—First half income from investments, quoted £8,740 (£9,297) and unquoted £2,651 (£349). Revenue before tax £9,664 (£8,744), after administration expenses £1,789 (£2,192). Tax takes £3,272 (£2,235). Revenue does not accrue evenly over the year and at present time, directors expect that revenue, before tax, for year ending September 30, 1975, will be slightly in excess of the £13,532 of previous year.

J. W. WASSALL (multiple footwear retailers)—Final 0.55526p, making 1.11652p (1.13276p) for year to March 31, 1975. Turnover £1,193,464 (£1,081,418). Net profit £24,251 (£31,183), after tax of £32,739 (£41,213).

HARTWELLS GROUP—Results year ended February 28, 1975 reported May 21. Group fixed assets £4.66m. (£4.42m.). Net current assets £1.45m. (£1.11m.). An analysis of the trading profit shows: motor vehicle distribution sales and service 73.2 (78.1) per cent.; agricultural tractor and implement distribution sales and service 11.9 (9.3) per cent.; bulk fuel oil distribution 14.7 (13.5) per cent.; and building 0.2 (0.9 loss) per cent. Professional valuation of properties has thrown up surplus of £1.9m. over book value. Meeting, Oxford, July 11, at 11 a.m.

CARDIFF MALTING—Interim dividend 0.7p (same). Turnover half-year to March 31, 1975, £224,439 (£149,384). Profit £19,050 (£14,482) after all charges including tax of £21,000 (£17,500).

LAUGHTON AND SONS (facepowder compacts and men's jewellery, etc.)—Turnover 1974 £7,072,132 (£6,442,544). Profit £650,187 (£631,418), less tax £343,086 (£332,603). Attributable £306,635 (£270,156). Dividend 7.5p (6p).

SHAW AND MARVIN—No final leaving dividend at 0.35p (0.8582p) for year to March 31, 1975. Turnover £1,111,903 (£1,324,349). Pre-tax profit £5,092 (£66,364). Tax takes £734 (£34,632). Provision for diminution in value and loss on disposal of quoted investments £1,909 (£1,262). Earnings per share 0.28p (2.04p).

LEON BERNER GROUP—Turnover £2,106,692 (£1,789,513) for six months to November 30, 1974. Profit £19,478 (£71,582), less tax £10,127 (£35,781). No interim dividend (same). Steps being taken to realise assets of manufacturing business which has been closed with effect from April 30, 1975.

THOMAS HARDMAN (manufacturers of heavy industrial fabrics). Final 0.32875p net making equivalent 34.75 per cent. gross (22.05 per cent. gross) for year to March 31, 1975. Turnover £804,154 (£636,184). Pre-tax profit £74,387 (£129,531). Tax £25,000 (£53,012).

TREFOREST SILK PRINTERS—Sales 1974 £1,849,935 (£1,867,439). Pre-tax loss £29,455 (loss £239,195). The company is a subsidiary of Courtaulds.

HOME BREWERY CO.—Interim 0.7p net in respect of year to September 30, 1975. Pay June 30.

ACORN SECURITIES—Gross revenue, third quarter of year ending August 31, 1975, £50,933 (£34,414), making £119,336 (£93,045) for nine months. Net asset value per capital share April 23, 1975, 33.95p (43.43p on August 31 1974).

CROSBY HOUSE GROUP—In view of possibility of railway strike AGM postponed until position is clearer. The recommended final of 4.5p will now be paid on July 17 as a second interim. Efforts will be made to post accounts with the minimum delay so that, if possible, AGM can be held before end July.

AMBER INDUSTRIAL HOLDINGS (aerosols, refractory fittings and tubular products)—Dividend 0.485p (0.369p) for year to March 31, 1975. Turnover £1,455,000 (£1,092,000). Group trading profit £180,922 (£126,651). Interest paid and depreciation £70,897 (£52,811). Pre-tax profit £110,025 (£104,693). Tax £72,707 (£62,669), leaving £37,318 (£42,011). Attributable profit £35,297 (£35,942). Dividends £14,616 (£13,128). Retained £21,241 (£22,804).

UNIT TRUSTS

Barclays Unicorn Worldwide fund

The Unicorn Worldwide Trust is on offer from Barclays Unicorn this week-end with a minimum investment requirement of £250. The fund is invested 58 per cent. in the U.S., with the remainder in Japan, Canada, West Germany, Switzerland and Australia. It also has stakes in U.K. companies with a high level of overseas earnings. Since the trust was launched in March, 1973, the offer price has fallen by 4.8 per cent. during which period the FT All Share Index is down by 23 per cent.

The Unicorn Worldwide Trust is not a fund for investors who have high income on their minds with an estimated current gross yield of 2.9 per cent. But it is an interesting proposition for people who might feel that overseas stock markets at this stage offer better prospects that the U.K. market. So far this has not been the case this year, but then an investor in a unit trust should have longer-term objectives.

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LAWSON HIGH YIELD

Lawson Securities is advertising the Lawson High Yield Fund this week-end, yielding an estimated 13.0 per cent. gross. The fund's portfolio is split between Preference shares—40 per cent.—and high yielding equities—60 per cent. The minimum investment is £100 and accumulation units are available. Interest is payable quarterly, in contrast to the usual half-yearly for trusts.

● comment

The Lawson High Yield Fund remains among the leaders of the high income trusts and has attractions to investors whose prime requirement is income. The Preference share content of the portfolio provides the high initial level of income, giving the fund stability, while the equity content offers potential for increased income. Good quality high yielding equities also offer above average prospects for capital growth, so investors could profit both ways with this type of fund.

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INCOME 'PIMS'

Schlesinger Trust Managers is advertising the Income "PIMS" investment plan using the Trident Income Fund as investment vehicle. The objective is to provide investors with a high yielding income fund and the underlying portfolio is invested 61 per cent. in dated stocks: 14 per cent. equities; and 25 per cent. cash awaiting favourable investment opportunities. The fund yields an estimated 10.7 per cent. gross at present.

● comment

Schlesinger Trust Managers is drawing investors attention to the income fund in the "PIMS" stable this week-end, since in general investors are still income rather than capital conscious. The Income "PIMS" through the Trident Income Fund has provided a level of income which since 1970 has outperformed the retail price index. It offers investors a high starting level of income plus growth prospects and should interest investors with an eye to both.

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TYNDALL INTNL. EARNINGS

The offering from the Tyndall group this week is the Tyndall International Earnings. This is the latest fund to appear from the Tyndall stable and has a minimum investment requirement of £1,500. The portfolio is invested in U.K. based companies which derive a substantial part of their earnings from exports and overseas operations. The initial charge is only 2 per cent. (1 per cent. on any excess of £10,000).

● comment

The Tyndall International Earnings Fund was launched just as the U.K. market was on the turn towards the end of the year and the managers deserve a pat on the back for detecting the low point and having the courage of their convictions. The money received was invested and initial investors were very soon in the position of having virtually doubled their money. From hereon the situation is difficult to assess—there may be a lot more mileage in U.K. shares with overseas earnings, but it is possible that the fund would also benefit from selected overseas holdings.

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TARGET INTNL.

Targe t International is being advertised by the Target group with a minimum investment requirement of £200. The geographical spread of the trust is North America 38 per cent.; Europe 28 per cent.; Australia 20 per cen t.; Canada 8 per cent.; Far East 5 per cent.; and South Africa 1 per cent. The yield is 2.15 per cent. on an estimated gross basis and the fund has back-to-back loans which facilitate avoidance of the dollar premium. Charges are 5 per cent. initially plus ½ per cent. per annum and the trustee is Midland Bank.

● comment

The Target International fund is another of the international funds which appear to be the most popular unit trust offerings at the present time. There is a considerable interest in European countries and the Target share exchange scheme is linked to the funds.

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CANLIFE FUNDS

Canada Life Unit Trust Managers are advertising the Canlife General and the Canlife Income funds. The minimum initial purchase for either fund is £250 and the charges are on the conventional 5 per cent. initial/½ per cent. per annum basis. The estimated gross yields are 4.44p per cent. and 8.71 per cent. respectively and the trusts are backed by the investment management of Canada Life Assurance which manages £600m. of funds for 1m. people.

● comment

Canada Life is not a frequent advertiser of unit trusts, for the company is mainly concerned with unit-linked life assurance. But the Canlife General and Income funds have respectable performance records and one may be certain that group is fully clad with investment expertise.

Prospectus Page 3

A. Monk falls £1.1m.—holds 3.9p

CIVIL ENGINEERING and building contractors A. Monk and Co. reports a slump in taxable profit from £1.72m. to £597,994 for the year ended February 28, 1975.

At halfway when announcing a decline from £616,000 to £157,060 the directors said that cost increases on a scale far greater than could have been foreseen at time of tender were experienced which together with threshold payments caused big losses on firm price contracts.

Although a major part of firm price contract commitments entered into prior to the onset of accelerating cost increases had been completed they did not think it possible to forecast the outcome of the year.

Earnings per 25p share are shown at 3.1p (11.5p) for the year but the dividend is maintained at 3.9315p with a final of 2.6815p net.

	1974-5 £	1973-4 £
Turnover	49,790,000	46,700,000
Trading profit	512,068	1,621,439
Inv. inc. and int.	85,926	98,891
Pre tax profit	597,994	1,720,330
Tax	326,409	*830,273
Net profit	271,585	890,057
Minorities	49,235	51,137
Pref. dividend	11,550	11,550
Interim div.	90,000	90,000
Final div.	193,968	193,968
Exceptional items	—	375,529
Gen. Reserve	—	900,000
Forward	594,630	587,898

* Includes £20,428 overprovision in respect of previous year.

seriouly affected by any industrial action during the subscription period (which ends on July 7), arrangements will be made for Letters of Allocation and the cash for the new shares to be accepted at any branch of Midland Bank, Clydesdale Bank and Northern Bank.

This will give time for the letters and cash to reach the Midland Bank new issue department by 3 p.m. on July 7. The arrangements only apply if the postal services are seriously affected and meanwhile, BOC already knows that the rights issue has been fully underwritten.

Raeburn mid term decline

For the six months to May 31, 1975, gross revenue of Raeburn Investment Trust shows a £106,391 decline of £997,051.

The interim dividend is 1.05p (same) net. Last year's total was 3.0p from gross revenue of £2.23m.

The directors say the reduction in revenue is due mainly to the fall in franked income as a result of the policy of switching investments from U.K. to overseas and the lower rates of interest on uninvested cash.

Net asset value per 25p share was 146.6p, an increase of 33.5 per cent. since May 31, 1974. Assuming full conversion of Loan stock the value was 146p, an increase of 31.6 per cent.

	Half year 1975 £	1974 £
Gross revenue	997,051	1,103,442
Expenses	50,180	43,057
Interest	169,081	146,862
Taxation	319,387	363,649
Preference dividend	38,968	38,868
Available for Ordinary	419,438	526,646
Ordinary dividend	276,737	276,128

BOC

BOC has notified all its shareholders that if postal services are

Brunner Trust progress

First half gross revenue of The Brunner Investment Trust increased from £369,711 to £393,806 in the half year to May 31, 1975. The figure for the year to November 30, 1974 was £742,800.

Earnings per 25p share for the six months were up from 1.302p to 1.361p, and the interim dividend is stepped up from 1.08875p to 1.1375p net. Last year's total was 2.42875p.

	Six months 1975 £	1974 £
Investment income	355,013	357,926
Other income*	38,793	11,885
Gross revenue	393,806	369,711
Management expenses	23,136	21,304
Loan interest	12,057	26,484
Taxation	132,936	114,171
Preference div.	7,875	7,875
Net earnings Ord.	217,752	200,907
Valuation investments†	15,079,272	12,071,655
Prior charge capital	950,000	1,050,000
Attributable Ordinary	14,129,272	11,021,655
Dollar prem. where applic.	2,214,565	902,682

* Deposit interest and underwriting commission. † Includes 100 per cent. of investment dollar premium 85½ per cent. (334 per cent.), and net current assets.

Net asset value per 25p unit is 88.5p (69p).

No provision has been made for tax on capital gains which may arise on future realisation of investments.

AMAX CLOSURE

America's Amax Lead And Zinc says that operations of the Amax-Homestake mine, mill and smelter complex in south-east Missouri will be curtailed during July. The mine and mill will be closed for about three weeks and the smelter for about one week. During this period repairs and replacements necessary for continuous production will be completed.

In 1974 the mine and mill produced 250,000 tons of lead concentrates and 110,000 tons of [illegible] concentrates. The smelter produced 134,000 tons of lead [illegible] of which 50 per cent. was for the account of others on a toll basis.

Results due next week

Featuring in our list next week is a fair sprinkling of well known names, headed by Allied Breweries, Plessey and Rediffusion. Elsewhere, BPB, Racal Electronics and Associated Television are other prominent groups reporting next week.

Allied Breweries tended to be the first with price increases in 1973-74 with the result that its profits performance—a 6 per cent. fall pre-tax to £59m. after a 2 per cent. increase at the interim stage—was better than that of other brewery majors. The question now is how far the relatively large size of the group's retail chain and public house trade will affect margins in the current year. The chairman has already indicated lower earnings in the first half of the year and pre-tax profits of £34m.-£35m. (£36.7m.) are expected on Tuesday.

Although Plessey's half-time profits in January were showing a small improvement in the pre-tax level at £17.6m. (against £16.8m.), the group's performance in the second three months was well below most expectations with a drop before tax of 7 per cent. This reflected several weak areas, notably the consumer products companies and the telecommunication interests. The 1974-75 financial period was for nine months only and it seems unlikely that the preliminary results on Wednesday will show any improvement over the £27.6m. recorded for the corresponding period of 1973-74.

The main features of Rediffusion's first half profits in November—up from £6.19m. pre-tax to £6.5m.—were a substantial start-up loss in Hong Kong, but on the other hand a strong performance by the associates. The latter trend was largely attributable to Rediffusion's indirect holding in Thames Television which has since started to feel the effects of a decline in advertising revenue. In the second half this must have offset much of the benefit of recent domestic rental increases and though the Hong Kong franchise should now be approaching break-even, Friday's full year profits are unlikely to show much change from the £13.9m. of 1973-74.

A shift in trading emphasis at BPB towards paper and packaging (accounting for £3.4m. of an interim profit of £5.9m.) pushed pre-tax profits up by 29 per cent. at the half way stage, despite poor figures from building materials. Understandably building materials continue at a low ebb, working on something like 70 per cent. of capacity, and support from paper must be falling away as destocking and recession bite into sales. However, BPB should have been able to hold the shortfall in the second half to say £1.3m., so the year's profits could well match the £10.6m. of 1973-74. Results are to be made known on Wednesday.

Racal Electronics has been a star performer for more than a decade and the group's 1974-75 profits on Thursday seem certain to confirm the high rating. The half-time profits jumped 46.5 per cent. pre-tax to £2.8m. and the group has forecast that the annual profits will exceed £8m. pre-tax against £6½m. last time. Judging by its previous forecast this suggests that profits could be as high as £8.9m. and given that orders in hand are already stretching about 12 months ahead, a further substantial rise seems likely in 1975-76.

Following the £0.9m. drop in interim profits from ATV the full year figure expected on Thursday is unlikely to be much above £5½m. (£7.3m.) pre-tax. At the half-way stage the company indicated that all divisional results were "excellent" apart from the ATV network, which is thought to have slipped down by £0.8m. So it would seem that higher interest charges must have taken the edge off improved contributions from activities outside TV contracting. The only side operating well has been record and music publishing, and even this may be tailing off now, so it is hard to be optimistic.

Other members of our company news list next week include Godfrey Davis and Leopold Joseph, both reporting preliminary results on Monday, while on Tuesday full year figures are expected from Edgar Allen, Dawson International, Imperial Continental Gas Association and British Cotton and Wool Dyers. Meanwhile annual figures will be published by MK Electric, Baker Perkins and London and Overseas Freighters on Wednesday. Thursday should see annual statements from Sheepbridge Engineering and B. Elliott, and on Friday the prelim from Scapa is due.

Company	Announcement due	Dividend (p)* Last year Int.	Last year Final	This year Int.
FINAL DIVIDENDS				
Edgar Allen	Tuesday	1.14	1.66	1.2
Associated Television Corporation	Thursday	2.058	3.038	1.85
Baker Perkins Holdings	Wednesday	1.5	1.663	3.25*
Geo. Bassett Holdings	Tuesday	0.84	3.637	0.904
Bishop's Stores	Friday	0.79	0.964	0.2(f)
BPB Industries	Wednesday	2.5	2.49	2.9
Brickhouse Dudley	Thursday	0.351	1.053	0.394
British Cotton and Wool Dyers' Assocn.	Tuesday	—	1.847	—
Brown and Tawse	Monday	0.43	1.296	0.505
Burtonwood Brewery Company (Forshaws)	Wednesday	—	2.308	—
CNA Investments	Tuesday	7.5	12.5	7.5(e)
Continuous Stationery	Wednesday	0.7	1.234	0.7
Godfrey Davis	Monday	0.7	2.022	0.7
Dawson International	Tuesday	1.05	1.74	1.05
Dorman Smith Holdings	Wednesday	0.85	3.838	3.85(b)
Electrocomponents	Tuesday	1.31	1.924	1.63
B. Elliott	Thursday	1.458	1.894	1.675
Emray	Wednesday	—	Nil	—
Evans of Leeds	Tuesday	1.05	2.513(b)	1.05
D. and J. Fowler	Tuesday	7.0	9.0	5.0(e)
Giltspur	Monday	0.7	1.31	0.8
Graham Wood Steel Group	Thursday	0.56	0.938	1.498(c)
GRA Property Trust	Tuesday	0.35	0.77	0.377
Highgate and Job Group	Tuesday	5.073(b)	4.562	4.03
Imperial Continental Gas Association	Tuesday	2.1	4.064	2.88
Leopold Joseph Holdings	Monday	1.4	4.15	1.37
Lamont Holdings	Wednesday	—	0.7	—
Lankro Chemicals Group	Monday	1.0	2.24	1.3
Leigh Interests	Tuesday	0.348	0.597	0.396
London and Midland Industrials	Thursday	Nil	Nil	1.5
London and Overseas Freighters	Wednesday	—	5.216	—
Mansfield Brewery	Tuesday	0.567	2.412	0.912
Thomas Marshall Investments	Thursday	1.1	1.58	1.155
May and Hassell	Monday	0.656	1.15	0.7
MK Electric Holdings	Wednesday	1.75	2.747	Nil
Permali	Tuesday	0.25	0.462	0.335
Plessey	Wednesday	1.34	1.95	2.15(d)
Racal Electronics	Thursday	0.75	1.868	0.85
Rediffusion	Friday	0.675	2.412	0.875
Russell Brothers (Paddington)	Tuesday	1.05	2.205	1.125
Scapa Group	Friday	1.47	1.59	1.7
Shaw Carpets	Thursday	0.875	1.009	0.875
Sheepbridge Engineering	Thursday	0.95	1.617	1.055
Somic	Tuesday	0.7	1.059	0.788
J. W. Spear and Sons	Thursday	0.613	1.107	0.66
Stead and Simpson	Thursday	0.467	1.46	0.5
S and U. Stores	Tuesday	0.613	0.751	0.598
Tecalemit	Tuesday	1.05	2.01	1.005
Technology Investment Trust	Wednesday	—	1.559	—
Tridant Group Printers	Wednesday	0.918	1.6146	1.101
Trustees Corporation	Thursday	1.19	1.68	1.2
Whitecroft	Monday	1.54	2.95	2.059
F. Wrighton and Sons (Associated Cos.)	Friday	—	0.963	
INTERIM DIVIDENDS				
Abbey Panels	Tuesday	1.54	1.74	
Allied Breweries	Tuesday	0.93	2.075	
Ashmole Investment Trust	Wednesday	0.375	0.6152	
Blundell-Permoglaze Holdings	Thursday	0.67	1.34	
Castlefield (Klang) Rubber Estate	Monday	0.35	1.352	
Chown Securities	Friday	0.502	0.93	
Crest Nicholson	Wednesday	0.67	2.03(a)	
Great Northern Investment Trust	Monday	0.96	2.1	
Greenfield Millets	Wednesday	0.2	0.633	
Hardys and Hansons	Thursday	1.4	3.3	
Killinghall (Rubber) Development Syndcte.	Monday	1.05	4.402	
Lincroft Kilgour Group	Wednesday	0.935	1.7(b)	
Lookers	Friday	0.75	1.25	
Herbert Morris	Monday	Nil	Nil	
Sidlaw Industries	Thursday	1.8	3.899	
Throgmorton Trust	Wednesday	1.25	2.513	
Walmsley (Bury) Group	Tuesday	0.5	1.6	
INTERIM FIGURES ONLY				
Investors Capital Trust	Thursday			
G. F. Lovell	Thursday			

* Dividends shown net pence per share, and adjusted for any intervening scrip issue. † Forecast 1.895p final. ‡ Declaration of dividend only. § Second interim. ¶ Includes second interim in 15-month period. (a) For 15 months. (b) Includes second interim. (c) Total dividend—final figures due. (d) Includes second interim in nine-month period. (e) Cents. (f) Special interim in 35-week period.

SUMMARY OF THE WEEKS' COMPANY NEWS

Take-over bids and mergers

In a fresh effort to resolve the deadlock in the struggle for control of **Sealed Motor Construction**, the **Myson Group** has raised its offer by 5p a share in cash to an equivalent 48p a share, compared with the rival offer from **Adwest Group** of 40p nominal of a new 10½ per cent. Convertible Loan stock. The SMC Board, which has recently been favouring the Adwest terms, are planning a meeting to consider the position and meanwhile advise shareholders to take no action.

The struggle for control of **Sheffield Twist Drill** took a fresh turn when **Thorn Electrical** intimated a revised offer of at least 91p a share, worth £12.3m., to comply with the rules of the City Takeover code following market purchases at this level. SKF, the original bidders, have yet to make known its intentions regarding its own £10.46m. bid or whether it will accept in respect of its 38.38 per cent. shareholding in STD.

Having already acquired a 70 per cent. stake in **G. F. Lovell** *from Sterling Industrial Securities for a total cash consideration* of £77,210 (equivalent to 11p a share), the privately-owned Hills **London Shops** has undertaken to make an offer to acquire the remaining shares.

Following the recent announcement of bid talks, **Western Mining** is seeking to purchase the 57 per cent. stake of **Great Boulder** it does not already own on a one-for-two share exchange offer. The scheme is subject to Great Boulder shareholders' approval and also has to be sanctioned by the Supreme Court of Victoria.

A takeover may well be made by the **Whitbread** brewery group for **Long John International**, of which 75 per cent. is *owned by Schenley Industries of the U.S., itself a subsidiary of* the conglomerate Rapid-American Corporation; talks are in progress between Whitbread and Schenley. The Board of LJ advise shareholders to take no action until a further announcement has been made.

Central Provinces Manganese Ore has received a 12½p per share cash offer from *Estates and Agency* which values the company at £½m.

The proposed takeover of **Francis Industries** by **Eva Industries** is off, both Boards having agreed that to proceed would not be in the interest of the shareholders.

Company bid for	Value of bid per share k	Market price k	Price before bid	Value of bid (£m's) k	Bidder	Final Acc't'ce date
			Prices in pence unless otherwise indicated			
Argentine Sthrn. Land	60*	58½	34	2.4*	Gt. Western Corpn.	3/7
Bryanston Finance	7*	7	9	0.5*	*A. T. Smith Organisation*	—
Central Provinces	12½*	11g	6	0.5*	Ests. & Agency	—
Clifton Invs.	4½*d	5½	4½	0.15*d	Aries Hldgs.	—
Cons. Commercl.	25	26	34	1.1	Rubislaw Invest. Tst.	—
Consolidated Tin Smelters	187	180	176	7.3	Amal. Metal	—
Court Hotels	50*	32‡	32	1.3*	BSQ Secs.	—
Curzon Indl.	—	5½	4½	2.3e	Agreed merger	—
Turner (Ben)	—	7	6½			
Francis Inds.	31	23	25	1.8	Eva Inds.	—
Great Boulder	83d	80	70	50.7d	Westn. Mining	—
Greening (N.)	24	29	16½	5.5	Johnsn. & Firth Brown	26/6
Gunn (A.)	60	56	59	3.2	Hewden-Stuart	—
Hanover Grand	5*d	8	8	0.1*d	Mr. J. Grant	—
Hellenic & General Trust	48*d	47	36	7.2*d	Hambros	—
Leadenhall-Strlng. Invests.	*55*d*	*52*	*31*	*0.6*d*	*Brit. & Cmmwlth. Shipping*	—
Midland-Yorkshire	424d	413	275	5.9d	Croda Intl.	—
Scotia Invs.	*17*d*	*17*	*20*	*0.6*d*	*Alco Metrop. Properties*	—
Seaham Harbour	£26*	£5‡	£5‡	0.6*	Tinline Ests.	—
Sealed Motor Construction	40	43½	43	2.2	Adwest Grp.	20/6
Sealed Motor Construction	48	43½	38	2.6	Myson Group	—
Sheffield Twist	85*	91½	78	11.5*	Thorn Elect.	—
Sheffield Twist	77½*	91½	39	10.5*	SKF	26/6
Wright Bindley	*60*d*	*59*	*45*	*0.6*d*	*Pentos*	*30/6*
Wright-Scriven	13*d	13	13	0.5*d	Ferguson Indl.	—

* All cash offer. b Cash alternative. c Partial bid. d For capital not already held. e Combined market capitalisation. f Date on which scheme is expected to become operative. g Based on 20/6/75. k Based on 19/6/75. n Notional value. ‡ At suspension. † Bid.

Scrip Issues

B. Fertleman and Sons: One-for-one.

PRELIMINARY RESULTS

Company	Year to	Pre-tax profit (£000)		Earnings* per share (p)		Dividends* per share (p)	
Anderson Strath.	Mar. 31	2,641	(2,435)	17.0	(19.5)	8.5	(7.878)
Atkins Brothers	Mar. 31	540	(404)	14.7	(10.3)	2.745	(2.525)
B. & C. Shipping	Dec. 31	19,196	(13,989)	26.1	(20.7)	6.938	(6.373)
British Steam	Mar. 31	1,417	(1,166)	9.9	(8.3)	4.6	(4.4)
N. Brown Inv.	*Mar. 1*	*1,302*	*(1,237)*	*6.4*	*(7.4)*	*2.508*	*(2.095)*
Brownlee	Mar. 29	863	(1,566)	5.6	(9.0)	1.68	(1.539)
Bulmer & Lumb	Mar. 30	541	(524)	3.0	(8.9)	2.333	(2.15)
Caffyns	Mar. 31	725	(617)	22.4a	(19.1)	4.5	(4.49)
Caledonia Invests.	Mar. 31	2,282	(2,120)	8.0	(8.1)	6.307	(5.787)
Cattle's (Hldgs.)	Mar. 31	862	(803)	3.1	(3.0)	0.845	(0.774)
Cavenham	Mar. 29	27,000	(29,500)	15.6	(18.6)	5.906f	(5.25)
Centl. & Sherwd.	Dec. 31	1,908	(2,827)	2.3	(5.5)	1.844	(1.675)
Clover Dairies	Mar. 29	1,118	(1,220)	8.9	(9.7)	4.25	(4.138)
Cntry. & New Twn.	Jan. 31	669	(402)	1.1	(0.9)	0.65	(0.628)
A. Cohen	Dec. 31	2,281	(1,571)	46.4	(34.7)	4.102	(3.778)
Cullen's Stores	*Feb. 28*	*362*	*(333)*	*5.2*	*(7.6)*	*3.82*	*(3.548)*
Dom Holdings	Mar. 31	546	(768)	3.5	(5.1)	3.51	(3.235)
D. Doncaster	Mar. 31	2,737	(1,615)	12.8	(7.3)	2.553	(2.347)
George Ewer	*Jan. 4*	*367*	*(500)*	*2.4*	*(2.6)*	*0.975*	*(1.02)*
Ferranti	Mar. 31	488L	(33)L	—	(—)	Nil	(4.2)
B. Fertleman	Mar. 31	459	(324)	20.6	(15.0)	2.067f	(1.838)
GEI International	*Mar. 31*	*2,304*	*(1,682)*	*9.3*	*(6.4)*	*3.114*	*(2.861)*
Ch. Goldrei Fouc'rd	Mar. 29	176	(153)	3.4	(2.5)	2.01	(2.04)
Gt. Portland Ests.	Mar. 31	1,421	(2,346)	4.2	(5.1)	3.254	(2.998)
Hargreaves Group	*Mar. 31*	2,210	(2,448)	4.9	(5.7)	2.121	(1.955)
Haslemere Ests.	Mar. 31	1,244	(1,049)	5.0	(3.9)	2.443	(2.249)
House Property	Dec. 31	73L‡	(82)	—	(8.2)	1.0	(2.216)
Invergordon Distill.	*Mar. 31*	*1,407*	*(1,262)*	*3.9*	*(3.8)*	*1.7*	*(1.696)*
H. C. Janes	Mar. 31	2,358	(2,431)	10.2	(19.2)	5.114	(4.684)
Knott Mill	Feb. 26	346L	(186)	—	(1.8)	Nil	(1.315)
Land Secs. Inv.	*Mar. 31*	*9,432b*	*(8,077)*	*6.3*	*(5.4)*	*3.075*	*(3.665)*
W. Lawrence	Dec. 31	205	(244)	25.0	(31.7)	2.495	(2.286)
F. H. Lloyd	Mar. 29	4,204	(2,343)	9.6	(6.2)	3.968	(3.642)
London & Nthrn.	*Dec. 31*	*8,248*	*(9,300)*	*5.8*	*(8.1)*	*3.25*	*(3.219)*
J. Lyons	Mar. 28	9,209	(9,191)	15.7	(18.0)	7.572	(7.83)
Midland Cattle	Mar. 31	669	(701)	14.2	(13.4)	2.041	(1.878)
Robert Moss	Mar. 31	304	(440)	4.2	(5.4)	2.065	(1.884)
Norcros	Mar. 31	11,643§	(6,446)¶	10.6	(7.2)	3.73	(2.31)
R. Paterson	Mar. 31	199	(274)	1.4	(2.0)	0.938	(2.635)
William Pickles	Dec. 31	937	(925)	1.6	(1.7)	0.596	(0.564)
Powell Duffryn	Mar. 31	11,858	(10,818)	21.9	(19.6)	6.516	(5.995)
Prince Wales Htls.	Dec. 31	49L	(162)	—	(6.4)	2.285	(2.285)
Property Holding	Mar. 31	1,685‡	(1,571)	5.8	(7.2)	4.889	(4.507)
Property & Rvrsny.	Mar. 31	642	(601)	5.4	(5.9)	3.881	(3.551)
Redland	Mar. 31	19,060c	(24,260)d	8.8	(12.0)	—e	(3.885)f
Rexmore	Mar. 31	1,199	(2,653)	6.0	(13.7)	3.608	(3.577)
Sketchley	Mar. 31	1,620	(1,502)	7.4	(6.9)	3.5	(3.087)
Tesco Stores	Feb. 22	23,248	(24,558)	3.4	(3.8)	1.222	(1.126)
Triplex Foundries	Mar. 31	1,346	(915)	11.0	(8.0)	2.748	(2.583)
Warren Tea	Dec. 31	1,311	(908)	16.6	(21.8)	5.916	(5.446)
W. Cumberld. Silk	Mar. 31	168	(227)	1.5	(2.4)	1.5	(1.545)
Weston Pharms.	Feb. 28	1,867	(1,606)	6.8	(6.0)	2.113	(1.944)
WGI	Mar. 31	964	(472)	13.1	(5.6)	2.859	(2.634)
Whitbread	Mar. 1	21,457	(26,166)ǀ	4.6	(4.6)	2.939	(2.767)
Wlvrhmptn. Lndry.	Mar. 31	14L	(9)	—	(0.4)	Nil	(0.441)

INTERIM STATEMENTS

Company	Half-year to	Pre-tax profit (£000)		Interim dividends* per share (p)	
Avon Rubber	Mar. 29	762L	(746)	Nil	(2.81)
S. & W. Berisford	Mar. 31	4,636	(4,016)	2.5	(2.25)
Comet Radiovision	Mar. 1	1,408	(1,159)	1.3	(1.34)
CompAir	Mar. 30	3,100	(2,356)	1.0	(1.0)
Dobson Park	Mar. 29	3,817	(2,537)	0.631	(0.566)
English China	Mar. 31	7,046	(7,690)	0.875	(0.802)
Glanfld. Lawrence	*Mar. 30*	*34*	*(3)*	—	(—)
Arthur Guinness	Mar. 15	11,000g	(10,100)	1.967	(1.803)
Irish Distillers	Mar. 31	64	(1,581)	1.0f	(1.0)
Lindustries	Mar. 15	1,607g	(1,527)	1.2	(1.108)
Lonsdale Universal	Mar. 31	639	(557)	1.15	(1.05)
Matthews Hldgs.	Mar. 31	1,176	(1,131)	1.1	(1.005)
Record Ridgway	Mar. 30	610	(165)	1.1	(0.875)
Ernest Scragg	Apr. 13	640L h	(1,818)	Nil	(0.4)
Tate & Lyle	Mar. 31	24,300	(15,800)	—	(—)
Tollemache & Cbld.	Mar. 31	168	(202)	1.0	(0.957)
Tomkinsons	Mar. 22	115†	(339)	—	(—)
Weyburn Eng.	Apr. 30	504	(137)	2.729	(2.5)

(Figures in parentheses are for corresponding period.)
Dividends shown net except where otherwise stated.
* Adjusted for any intervening scrip issue. † For 25 weeks. ‡ Gross revenue. § For 16 months. ¶ For 12 months. a Attributable pre-tax. b Net income. c Unaudited. d Audited. e Final dividend to be declared when audited figures are available. f Gross. g For 24 weeks. h For 28 weeks. ǀ For 53 weeks. ‡ Net. L Loss.

Offers for sale, placings and introductions

City of Westminster: Issue £12m. 13 per cent. Redeemable stock 1981 at £97½ per cent.

East Surrey Water: Offer for sale by tender £1m. 9 per cent. *Redeemable Preference Stock 1980 at £99 per cent., minimum* price.

Time Products: Placing 1,221,000 Ordinary shares at 28p each.

Rights Issues

Anderson Strathclyde: One-for-three at 110p each.

British Steam Specialities: One-for-four at 50p each.

GEI International: Two-for-seven at 38p each.

Nurdin and Peacock: One-for-five at 60p each.

Redland: One-for-seven at 67p each.

Senior Engineering Group: Two-for-five at 10p each.

Serck: One-for-four at 27½p each.

RECENT ISSUES

EQUITIES

Issue Price p***	Amount Paid Up	Latest Renunc. Date	1975 High	1975 Low	Stock	Closing Price p***	+ or −	Div. & or Amount	Times covered	Gross Yield	P/E Ratio
♣	F.P.	—	172	168	Akroyd & Smithers	165	−1	—	—	—	—
—	F.P.	—	£36⅝	£31¾	Bell Canada ($25)	£32¾	+⅛	—	—	—	—
48	F.P.	11/7	56	48	*Clive Discount (20p)*	*51*	......	15	—	8.7	—
♣	F.P.	—	£22¼	£17½	Cont. Can. Inc. $US1	£18½	+¼	$1.8	—	4.3	—
♣R2	F.P.	30/5	365	293	Deelkraal Gold Mining	345	−10	—	—	—	—
‡‡	F.P.	—	134	120	Ewart New Northern	131	......	—	—	—	—

FIXED INTEREST STOCKS

Issue Price	Amount Paid up	Latest Renunc. Date	1975 High	1975 Low	Stock	Closing Price £	+ or −
£100	F.P.	—	100	99⅝	Agricultural Mortgage 11% 1976	100	......
♣£100	£25	11/6	65½	39	Allied Irish 10% Conv. Uns 1985	42½	+2
£97½	£10	—	9⅞	9¾	City of Westminster 13% Red. St. 1981	9⅞	......
£100	£10	11/7	11¾	11⅛	Colne Valley Water 9% Red. Prf. 1980	11¾	......
£100½	£10	31/7	11½	11¼	Folkestone Dist Water 9% Red Prf. 1980	11½	......
♣£100	F.P.	6/6	132	121	Gestetner 10% Conv. Uns. '90/95	126	−½
$98	F.P.	—	$98½	$96½	Granges 9¾% Bonds 1980	$98½	......
£99	F.P.	30/5	102¼	98½	Lincoln Corp. 15% 1980	100¾	......
††£99	F.P.	30/5	105½	101	Mid-Kent Water 10% Prf. 1980	101¼xd	......
**	F.P.	23/5	105½	101¾	Mid-Southern Water 10% Prf. 1980	102xd	......
$100	F.P.	—	$101½	$100½	*Norsk Hydro 9¾% Bds. 1985*	*$101½*	......
£100	F.P.	21/5	123	106	N. Atlantic Secs. 7½% Cnv. 95-96	114	......
£100½	£10	31/7	11½	11	N. Surrey Water 9% Red Prf. 1980	11½	......
††£7c	F.P.	—	105¼	*100*	*Rickmansworth & Uxbridge 10% Prf. 1980*	104	......
£100	F.P.	30/5	166	122	Slough Estates 10% Conv. Uns. '87/90	141	......
£99¼	£45	1/8	46¼	43½	Southend-on-Sea 12½% 1981	44	......
£99	F.P.	11/4	105	99	S. Staffs. Water 10% *Prf. 1980*	101¼xd	......
**	F.P.	18/4	105	101	Sutton District Water 10% Prf. 1980	101½	......
£99¼	£55	11/7	65	64½	Warwickshire 12¼% Red. Stk. 1980	64½	......
£1	nil	24/6	10	½	Waterford Glass 10% Conv. Cum. Red. Pref.	½pm	−1½
—	F.P.	14/2	90	60	Worth (Bond) 12% Conv. Uns	85	......
♣£100	£50	2/10	97	67	Yorks Chems. 12¼% Conv. Uns	81	......

"RIGHTS" OFFERS

Issue Price p***	Amount Paid up	Latest Renunc. Dates †	Latest Renunc. Dates ‡	Stock	Closing Price p***	+ or −
33	F.P.	16/5	2/7	Associated Biscuit	63	+1
45	F.P.	20/6	8/8	Associated Engineering	55½	+1
25	Nil	—	—	Barrow Hepburn	12½pm	+1
85p	Nil	2/7	1/8	Bell (A.)	12pm	+2
46	Nil	—	—	*Boc Intl.*	*4½pm*	−1
£100	Nil	—	—	Borel (Jacques)	245pm	......
40	Nil	3/7	8/8	Carless Capel	20pm	......
A$1.50	*Nil*	*2/7*	*7/8*	*Commercial Bank of Australia*	*84pm*	+1
45	Nil	26/6	25/7	Dupont	2½pm	+2
25	F.P.	16/6	11/7	Elliott Grp. (of Peterboro)	36	......
65	Nil	—	—	Ever Ready	9pm	+2
200	Nil	—	—	Glaxo	160pm	−5
17	Nil	—	—	Gordon Johnson-Stevens	1½pm	......
52	F.P.	16/6	11/7	Hawkins & Tipson	64	......
25p	F.P.	24/6	18/7	Hestair	52	+2
40	F.P.	13/6	11/7	Macarthys Pharm.	50	......
100	F.P.	11/6	11/7	Marshalls Universal	111	......
Kr200	Nil	12/7	—	Norsk-Hydro	$24½pm	+1½
10p	Nil	2/7	8/8	NSS Newsagents	33pm	......
60	Nil	—	—	Nurdin Peacock	23pm	+3
5p	*Nil*	—	—	*Premier Cons. Oilfields*	*6pm*	......
105	F.P.	19/6	17/7	Prudential Ass.	124	+3
47	F.P.	4/6	16/7	Richard & Wallington	60	......
20	*Nil*	—	—	*Root Harvesters*	*8pm*	......
27½	Nil	—	—	Serck	7pm	......
300p	Nil	—	—	Siebens Oil & Gas UK	340pm	+55
75	F.P.	20/6	18/7	United Biscuits	95	+4

Renunciation date usually last day for dealing free of stamp duty. a Placing price to public. b Figures based on prospectus estimate. d Dividend rate paid or payable on part capital, cover based on dividend on full capital. p*** Pence unless otherwise indicated. ¤ Forecast dividend: cover based on previous year's earnings. ¶ Figures assumed. ‡ Cover allows for conversion of shares not now ranking for dividends or ranking only for restricted dividends. ** Issued by tender. ♣ Offered to holders of Ordinary shares as a "rights." ♥ 290 S.Afr. cents. ‡ Rights by way of capitalisation. †† Tender allotment price. ◆ Reintroduced. ‡‡ Issued in connection with reorganisation, merger or take-over. ♣ Introduction. ♠ Issued to former Preference holders. ‡ Allotment letters (or fully-paid). † Provisional or partly-paid allotment letters. § With warrants.

Leadenhall-Sterling

On a turnover up from £3.49m. to £3.66m. group pre-tax profit of **Leadenhall-Sterling Investments** decreased from £292,123 to £225,851 in the year to March 31, *1975.*

The dividend is stepped up from 2.8075p to 3.049p net with a final of 2.174p. Earnings per 25p share were down from 11.6p to *10.2p.*

	1974-75 £	1973-74 £
Turnover	*3,663,000*	*3,495,000*
Pre-tax profit*	225,851	292,123
Taxation	18,055	56,188
Net profit	207,796	235,935
Extraordinary credit	8,284	†75,228

* Including exceptional trading profit nil (£74,396) and Yatton Furniture, unfranked income £25,326 (nil) and share profits nil (£115,767). † Debit.

Earlier this month the holding in Yatton Furniture was sold. The Board, therefore, consider it no longer appropriate to account for Yatton as an associate. Profit *before tax arising from the* interest in Yatton reflects for 1975 the franked income received in the year, instead of including a share of profits.

WALL STREET + OVERSEAS MARKETS + CLOSING PRICES

Strong & active: up another 10

BY OUR WALL STREET CORRESPONDENT

NEW YORK, June 20.

STRONG AND ACTIVE conditions continued on Wall Street to-day, spurred by a fresh batch of bullish economic statistics.

Best levels were not always held, however. After further advancing 14.71 to 860.06, the Dow Jones Industrial Average partially reacted to 855.44, for a net rise of 10.09 on the day and a gain of 30.97 on the week.

The NYSE All Common Index, at $49.39, rose 34 cents on the day and $1.20 on the week, while rises led declines by a more than two-to-one majority. Trading volume further expanded 4.81m. shares to 26.26m.

The Government reported a record jump in real U.S. earnings in May, a slowing in the rate of advance in the Consumer Price Index, and another monthly increase in new orders for Durable Goods.

But the Stock Market rise was checked following the report of a Federal Reserve moved to drain funds from the credit markets.

A. E. Staley climbed a further $3¼ to $42.

General Instruments shed $1¼ to $12⅜ on first quarter net of 7 (43) cents a share.

The American SE Market Value Index rose 0.45 to 91.08, making a rise of 1.65 on the week. Advances led declines by 405-to-253.

Canada mixed

Canadian Stock Markets were mixed in moderate trading yesterday.

The Industrial Share Index shed 0.07 to 187.96. Golds fell 7.57 to 402.81 and Utilities lost 1.00 to 129.57. But Banks moved up 2.08 to 269.05, Papers rose 0.21 to 109.99, Base Metals put on 0.28 to 73.10 and Western Oils gained 0.14 to 194.73.

OTHER MARKETS

PARIS higher in moderately active trading, encouraged by Prime Minister Jacques Chirac's optimistic speeches on the economy.

Banks, Chemicals, Breweries and Foods moved ahead, as did Electricals, while Portfolios, Constructions, Rubbers and Stores narrowly mixed. Metals generally lower, but Motors and Oils firm.

Canadians and Gold Mines weak, but most other Foreign stocks moved upwards, particularly Oils.

BRUSSELS—Gains slightly outnumbered falls in quiet trading.

French issues held steady, while U.K., U.S., Dutch and German issues tended higher. Gold Mines slightly easier.

AMSTERDAM — Generally firm in continued dull conditions.

State Loans declined.

GERMANY—Higher, with some shares making large gains and new buying following easier-than-expected placing of Deutsche Bank's rights issue.

Foreign and large German Bank purchases brought Mannesmann up DM13.50, Schering DM18, BBC DM10 and Demag DM8.

COPENHAGEN — Narrowly Mixed in fair dealings.

STOCKHOLM—Closed yesterday (Midsummer Eve).

VIENNA—Barely steady.

Oslo—Steadier tendency.

SWITZERLAND — Narrow changes in slack trading.

State Bonds steady. Foreign sector moderately active. Dollar and German stocks firmed, Dutch Internationals very steady.

MILAN—Lower on fairly sustained selling, reflected Italian political uncertainties.

HONG KONG—Little changed in fairly quiet trading.

JOHANNESBURG — Golds generally weaker in quiet trading.

Betrest up 18 cents at R1.08 in otherwise quiet Mining Financials. Platinums firm.

TOKYO — Market declined in sluggish trading on a lack of fresh stimuli. Volume 170m. (130m.) shares.

Demand for "higher priced" Electricals failed to gather momentum.

Resource shares lower on Teikku's failure to find oil deposits in W. Japan.

AUSTRALIA—Mid-week market rally ground to a halt as profit-takers moved in, and most stocks turned lower.

Minings easier, despite higher prices on London Metal Exchange.

Indices

NEW YORK

DOW JONES AVERAGES

U.S. STOCK INDICES STANDARD AND POORS

	*Industrials	†Composite
June 20	103.70	92.61
19	103.04	90.01
18	101.30	90.39
17	101.58	90.59
16	102.63	91.46
13	101.55	90.52
12	101.06	90.08

MELBOURNE YIELDS

Av'ge yield on 50 Leading Stocks	June 19	June 12	June 5
On Dividends	7.36	7.11	7.02
On Earnings	14.16	13.67	13.49

SYDNEY ALL ORD. INDEX

TOKYO NEW SE INDEX

HONG KONG INDEX

SINGAPORE INDEX

EUROPE

N.Y. SE ALL COMMON INDEX

RISES AND FALLS

AMERICAN SE MARKET VALUE INDEX

Starting base 100 Aug. 31, 1973.

1975 High	1975 Low	Jne 20	Jne 19	J'ne12	J'ne17	J'ne 16
91.08 (30/5)	62.20 (2/1)	91.08	90.65	88.47	89.10	89.66
Volume ('000's)		2,808	2,260	1,810	2,200	2,088

TORONTO

MONTREAL

COMBINED INDEX

June 20	June 19	1975 High	1975 Low
191.60	191.54	191.60 (20/6)	158.02 (2/1)

JOHANNESBURG

	June 20	June 19	High	Low
Industrials	225.2	224.3	225.2 (20/6)	193.2 (23/1)
Golds	319.8	314.5	379.1 (2/1)	255.2 (15/4)

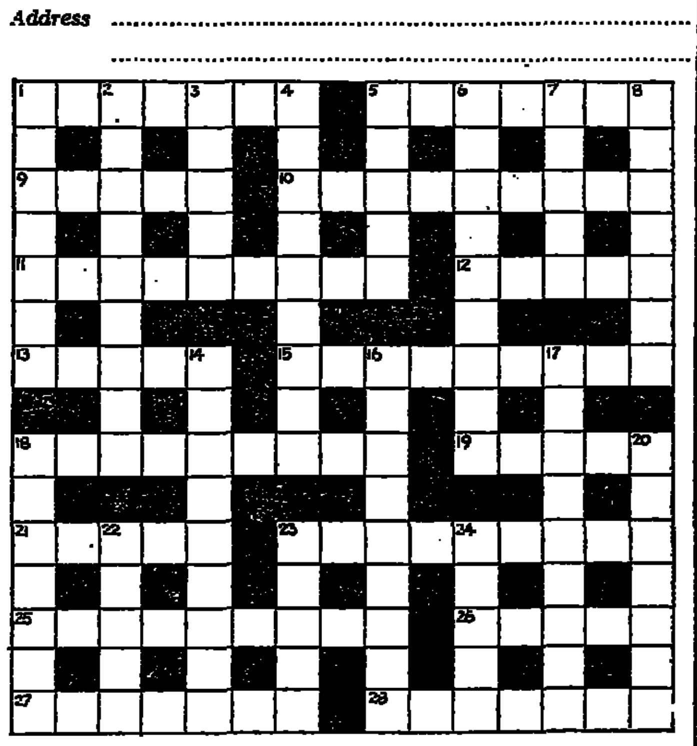
1958=100. Source: Rand Daily Mail. * 1974.

F.T. CROSSWORD PUZZLE No. 2,809

A prize of £3 will be given to each of the senders of the first three correct solutions opened. Solutions must be received by next Thursday, marked Crossword in the top left-hand corner of the envelope, and addressed to the Financial Times, 10, Cannon Street London, EC4P 4BY. Winners and solution will be given next Saturday.

Name ....

Address ....



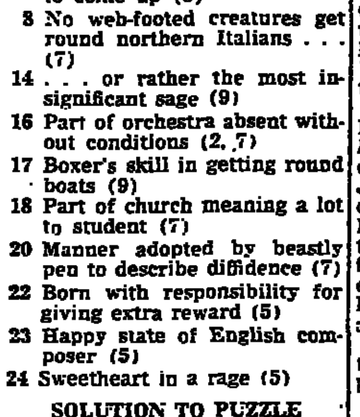
ACROSS

1 Spectacular assistance given by great leader to girls (7)
5 Going on about part of bedding (7)
9 First person leading cricket club to a place of pilgrimage (5)
10 Cork can be relied on for public issue (9)
11 Continue to object just before bedtime (4, 5)
12 Little bird the French name (5)
13 Cross-examine cook (5)
15 Lake-isle where pub makes no charge (9)
18 Shares carry over arrangements with dances (9)
19 Overall material dug back (5)
21 A doctor has it within range (5)
23 Cheeky in a smooth kind of way (9)
25 State qualification (9)
26 Collect for a master on board (5)
27 Decreases in morals we hear (7)
28 Softly lest we disturb youth leader (7)

DOWN

1 Disability of a willing member (4, 3)
2 Bill giving up coming to office (9)
3 Keep quiet? Hill worker won't (5)
4 Being adequate to give county topping cake (9)
5 Lash with a lisping air (5)
6 Beaten by Charles? It's Edward (9)
7 Fool one daughter with one to come up (5)
8 No web-footed creatures get round northern Italians . . . (7)
14 . . . or rather the most insignificant sage (9)
16 Part of orchestra absent without conditions (2, 7)
17 Boxer's skill in getting round boats (9)
18 Part of church meaning a lot to student (7)
20 Manner adopted by beastly pen to describe diffidence (7)
22 Born with responsibility for giving extra reward (5)
23 Happy state of English composer (5)
24 Sweetheart in a rage (5)

SOLUTION TO PUZZLE No. 2,808



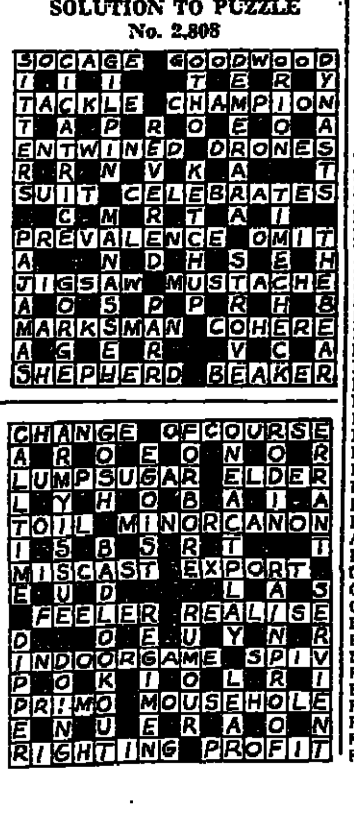
SOLUTION AND WINNERS OF PUZZLE No. 2803

Following are the winners of last Saturday's prize puzzle:

Mr. John Beeston, 19 Holbeck, Great Hollands, Bracknell.

Mr. C. J. Cooper, Summerdale, Greenway Lane, Bath BA2 4LJ.

Mrs. B. Mason, Providence Place, Wardy Hill, Ely, Cambs.



RACING

BY DOMINIC WIGAN

O'Brien could win with 'Guillaume'

VINCENT O'BRIEN and Lester Piggott, who teamed up to win five races at Royal Ascot, which ended yesterday, can continue their remarkable run of success at this afternoon's Heath meeting by landing the one and a-half mile Churchill Stakes with the once-raced *Guillaume Tell.*

This handsome chesnut colt by Nashua out of La Dauphine won with a great deal in hand when defeating 11 in the one-mile Rathmines Stakes at Leopardstown six weeks ago.

There the Cashel three-year-old was always travelling well within himself and it became apparent a long way from home that he was going to justify the heavy support that had brought his price down to 6-4 on. At the line, Guillaume Tell, who never had to be asked a question, was one and a-half lengths clear of Flight Path, with Starlight God and the remainder well beaten.

Guillaume Tell, who is sure to have come on a few pounds as a result of that initial run, ought not to be troubled by the additional half mile here and it is difficult to see him failing to follow up.

If there is to be a surprise it could be caused by the recently disappointing Strike Lucky. Sir Michael Sobell's strong Never Bend colt has been well beaten on both his appearances this term—in the White Rose Stakes here and York's Dante Stakes—but recent homework suggests that he is approaching his best.

A second likely winner for Piggott is the course winner *Lacewing* in the Fern Hill Handicap. Jeremy Tree's tough Double Jump filly, a six-length winner of the valuable Crocker Bulteel Handicap here in April, appears to have less to do than when finishing a well-beaten third of eight behind Red Gayle and Ruling Class at York on her last appearance.

I expect to see her returning to winning form at the main expense of Conning Tower.

In the feature event of the afternoon, the Finch Decanter Handicap, for which the sponsors have given £5,000, Piggott will renew association with Royfern, on whom he has been involved in two close finishes recently.

At Goodwood towards the end of May Piggott got up in the final stride on Scobie Breasley's sprinter to dead-heat with Jukebox Jury for the Langford Handicap. A fortnight later the combination were again involved in a photograph finish when going down by a neck to Doyenne in Epsom's six furlongs Con-Mech Sprint.

Royfern may prove up to dealing with his 12 rivals here, but my own preference is for the lightly weighted *Chigusa*, who led for much of the way in that event. John Winter's filly will be ideally suited to this return to the minimum trip.

Pat Eddery, seen at his strongest when forcing Charlie Bubbles up close home to land yesterday's Hardwicke Stakes, misses several tempting mounts at Ascot to-day in order to be at Redcar, where he partners top-weight Red Regent in the Andy Capp Handicap.

Sir Douglas Clague's smart three-year-old is unlikely to be easily beaten here, but a better prospect could be the possibly underrated *Carnlea House.*

ASCOT
2.00—Red Reef
2.30—Scattered Scarlet*
3.00—Chigusa***
3.35—Guillaume Tell**
4.10—Lacewing
4.40—Piper
5.10—Dominant

AYR
1.30—Vidkun
2.00—Baggin Time
2.30—Beechway
3.00—Heriot
3.30—Swiftly
4.00—Scorton Girl
4.30—Lady Ice

REDCAR
1.45—Pal Dan
2.15—Escarole
2.50—Carnlea House

WARWICK
6.30—Muriska Prince
6.55—Sweet Joe

OVERSEAS SHARE INFORMATION

Investment premium based on $2.60 per £1—64⅛% (35%).

NEW YORK

CANADA

GERMANY

MILAN

AUSTRALIA

TOKYO

BRUSSELS

PARIS

SWITZERLAND

AMSTERDAM

STOCKHOLM

COPENHAGEN

OSLO

VIENNA

JOHANNESBURG

SPAIN

June 20	Per cent.	
Asland	300	—
Banca Lopez Quesada	732	—
Banco Bilbao	916	−11
Banco Atlantico (1,000)	716	+12
Banco Central	903	+ 2
Banesto (250)	605	+ 5
Banco Exterior	555	+10
Banco General	1,004	—
Banco Granada (1,000)	435	—
Banco Hispano	510	+15
Banco Iberico	460	—
Indaban	400	—
Banco Ind. Cat. (1,000)	404	—
Gal. Preciados	415	+ 5
Hidrola	147	+ 2.50
Iberduero	220	+ 5
Motor Iberica	218	—
Olarra	750	+20
Petroliber	325	+ 7
Sarrio Papalera	327	− 3
Seat (1,000)	376	—
Sevillana Elec.	135	—
Sniace	122	—
Telefonica	234	+ 7
Tubacex	312	+ 4.50
Union Elec.	128	+ 2.75
Union y Fenix	590	+20
Urbis	222	+ 6

STAMPS

BY JAMES MACKAY

THE FAUNA of the world has been supplying the postage stamps of many countries with colourful and varied material for many years now. Rich and diverse though it is, the point must surely have come when every species of living creature (and not a few which have long been extinct) has been recorded on stamps.

Yet this continues to be the most popular subject, and there is no surer way of boosting flagging sales than for a postal administration to churn out yet another series featuring some aspect of this well-worn theme. The problem nowadays is to present the subject in a new light and, if possible, to add another dimension to the design by linking fauna to some other theme.

Not so long ago it was a simple matter of producing a series of stamps featuring birds, animals, fishes and insects, selected at random for their superficially eye-catching qualities. Having exhausted all the more obvious subjects, however, these stamps have now become much more sophisticated in their approach and tend to concentrate on subtle variations within a specific group.

Not so long ago Mongolia, for example, would have been content with a wide range of Central Asiatic animals in a single set, but a recent series of seven stamps was in fact devoted to bears alone, distinguished not only by their Latin names in full, but by a very high degree of detailed draughtsmanship on the part of the artist, so that the collector should be in no doubt as to the fine distinction between the two types of Giant Panda, *Ailurus fulgens* and *Ailuropoda melanoleucus*.

Surveying recent issues with fauna as their theme I find that mammals are relatively neglected. Two imminent issues feature animals from a fresh angle. On Monday Botswana is releasing a set of four stamps depicting ostriches, spotted hyaena, rhinoceros and scorpions, but these are actually reproductions of rock paintings in the Tsodilo Hills, by bushmen of the Kalahari Desert almost 2,000 years ago. Children's pets are the subject of the health charity stamps, issued by New Zealand on August 6. Last year's trio depicted cats and dogs, while this year's set shows children with farmyard animals. Both issues were designed by Mrs. M. Chapman of Christchurch.

Ornithology continues to provide the bulk of the designs in this theme. The current crop includes a new Kr.1.70 definitive from Sweden showing a capercaillie, the largest of the Swedish game birds. The stamp, by Bertil Petersson, shows the "cock of the woods" during his courtship display. A sign of the times is the release by the Irish Republic of its first ever £1 stamp (hitherto a denomination of 10 shillings or 50p sufficed). The new stamp depicts an eagle, symbol of St. John the Evangelist, based on an illuminated Irish manuscript now in the library of Corpus Christi College, Cambridge. Increased postal rates have led to the introduction of four other denominations, utilising the medieval Irish motifs of dog, stag and winged ox, used for the definitive issues of 1968 and 1971.

Jersey is issuing a set of four stamps on July 28, featuring four out of over 50 species of sea bird either resident in or visitors to the island. The stamps, designed by Jennifer Toombs, show Brent geese, common tern, storm petrel and shag and have been printed in multicolour photogravure by Courvoisier.

Collectors of fishes on stamps are getting a boost with three new sets. On June 27 Czechoslovakia is releasing a series of 5 stamps, in combined recess and photogravure, depicting aquarium fishes. Brazil has issued a set of four stamps showing important freshwater fishes. The announcement of these stamps hints that further issues are planned, and with some 1,334 recorded species of freshwater fishes to choose from this is a promise not to be taken lightly.

The British Virgin Islands released a new definitive series last Monday with the theme of Caribbean fishes. A $5 stamp, featuring a Four-eye Butterfly fish, will be issued on August 15. The stamps were designed by Clive Abbott, whose surname has unfortunately been mis-spelled in the margin of every stamp, so an early amendment is not improbable.

As part of their flora and fauna conservation campaign Papua-New Guinea has just issued four stamps depicting butterflies threatened with extinction. A set of eight stamps featuring butterflies is to be released shortly by North Vietnam, which also promises a similar set devoted to reptiles later this year.

Two new books deal with aspects of fauna. *The Wonderful World of Mammals* by Roger Caras (Harcourt Brace Jovanovich, £2.25) contains short chapters on 41 mammals as illustrated in stamps. *The Whale's Tale* by Frederick P. Schmitt (Picton, £2) not only illustrates and describes every stamp showing whales and dolphins but includes chapters on whaling and whalers from biblical times to the present day.

Exposure query

Mrs. Barbara Castle, Secretary of State for Social Services, has asked the Industrial Injuries Advisory Council to consider whether any condition resulting from exposure to vinyl chloride monomer—used in PVC production—should be made a prescribed industrial disease.

Mr. Brian O'Malley, Minister of State, told MPs yesterday that the Council had suggested to Mrs. Castle that the terms of the previous reference to it about acro-osteolysys should be widened.

"She has accepted this suggestion," said Mr. O'Malley.

Labour executive to consider revised industrial strategy

BY JOHN HUNT

A NEW POLICY document setting out a revised industrial strategy for the Labour Party is to be considered at Transport House to-day by the industry policy sub-committee of the party's national executive.

The document advocates a comprehensive national plan for industry and the intention is that it should supersede the earlier controversial document on a 10-year industrial strategy which was put forward by Mr. Anthony Wedgwood Benn, the former Industry Secretary.

The Wedgwood Benn proposals, which were severely criticised by industry, suggested that the National Enterprise Board should have a say in allocating pension funds to sections of industry which the Government considered had priority for investment.

However, industry will find plenty to fault in the new document. For one thing, it proposes that compulsory planning agreements should be employed as an integral part of a national plan.

Little information about the latest proposals was forthcoming last night, presumably because the release of earlier policy documents had led to such bitter arguments inside and outside the party.

Apparently, the latest offering sets out clear priorities for industry under what is described as "a realistic national plan" based on public ownership and the use of the National Enterprise Board and planning agreements. It advocates powers to ensure that companies come within planning agreements—in the words of one party official planning agreements would be used "to make things happen."

Those who drew up the document feel that some form of national plan is needed to replace the present piecemeal system under which aid is provided for industry. The idea is to lay down long-term strategy rather than immediate tactics. The need for decentralisation of decision making is also heavily stressed.

Tory offer

Mr. Wedgwood Benn's earlier document will also be discussed to-day by the 60-strong sub-committee. The former Industry Secretary will be present and Mrs. Judith Hart, the Left-winger who lost her job as Overseas Development Minister in the recent reshuffle, will be in the chair. The research department's document will probably be passed on to the home policy committee of the NEC for further consideration.

In another industrial policy development yesterday Mr. Michael Heseltine, the Conservative "shadow" spokesman for Industry, wrote to Mr. Eric Varley, the new Industry Secretary, offering Tory support to get the Industry Bill on to the Statute book if the Government would drop sections of the legislation "which were injected only to buy off the Left wing."

He asked Mr. Varley to meet him at the Conservative Industrial Committee to discuss this and other aspects of Government industrial policy in a non-party spirit to initiate "a real dialogue" to meet the public mood.

Although Mr. Varley has not had time to consider the letter there is every likelihood that he will reject it on the grounds that it would merely provide publicity for the Opposition and provide no concrete purpose.

The letter was somewhat at variance with a speech made last night by Sir Keith Joseph, the Tory spokesman for policy and research. He stressed the differences between the parties, emphasised that the Conservatives had nothing in common with supposedly moderate Labour Ministers and called on his party to put forward realistic policies of their own.

TV top 20

			Homes viewing (m.)
1	Edward VII	ATV	7.60
2	News at Ten (Tues.)	ITN	6.90
3	Man About The House	Thms.	6.50
4	Crossroads (Thr.)	ATV	6.45
	The Main Chance	York.	6.45
6	Crossroads (Tue.)	ATV	6.20
	Coronation Street (Wed.)	Gran.	6.20
8	Crossroads (Fri.)	ATV	6.15
9	Coronation Street (Mon.)	Gran.	5.95
	World in Action	Gran.	5.95
	And Mother Makes Five	Thms.	5.95
12	Crossroads (Wed.)	ATV	5.90
	News at Ten (Fri.)	ITN	5.90
14	Sale of the Century	Angl.	5.80
15	It's A Knockout	BBC	5.75
16	The Undersea World of Jacques Cousteau	BBC	5.50
	News at Ten (Thr.)	ITN	5.50
18	Sam	Gran.	5.45
	What Would You Do	York.	5.45
20	Kojak	BBC	5.40

Figures compiled by Audits of Great Britain for Joint Industry for Television Advertising Research.

SPEAKING UP

Calls to the Post Office's speaking clock rose by 26m. in the year up to March 31, making a new record of 431m. calls in a year.

BIDS AND DEALS

Chloride paying £3m. for Gent

BY NICHOLAS LESLIE

CHLORIDE GROUP, the U.K.'s largest manufacturer of rechargeable batteries, is planning a further expansion of its activities in the security systems field with the agreed acquisition of Gent and Co. for £3m.

Gent is a private company and a large U.K. manufacturer of systems and components sold to fire alarm installers. It is based in Leicester, where it has four plants, with a fifth at Aylesbury. The company employs about 660 people.

Announcing the deal yesterday, Chloride said that implementation of the 1971 Fire Precautions Act had laid down minimum safety standards for protection of people and that this had led to a market growth of about 20 per cent. a year. The acquisition would provide Chloride with an opportunity to continue its expansion in the fire alarms and security systems market.

Chloride moved directly into the fire alarms market two years ago when it launched its own range of systems. It was also associated with the security business through the supply of emergency lighting and standby power systems. In June, 1974, a move into the intruder alarm market was made with the purchase of Granley Security Group.

Terms of the deal are 19 Chloride shares—which yesterday rose by 2p to 99p—for every 20 Gent shares. This values Gent at just over 94p. Gent shareholders will retain a final dividend of 1.84p for 1974 and interim dividends totalling 0.55p for 1975.

EDGAR ALLEN PURCHASE

In a £160,000 deal Edgar Allen and Company has agreed to acquire the capital of Dragonware, an engineering concern.

Consideration will be £26,224 together with the issue of 280,000 Allen Ordinary shares which yesterday closed 2p up at 48p.

Dragonware's net tangible assets at May 31, 1975, totalled £65,813.

SHARE STAKES

Charterhouse Japhet bought on its own account, 25,000 Ordinary in Sealed Motor at 41½p per share.

The Debenture Corporation now owns 654,624 Ordinary (16.37 per cent.) in Updown Investment Company.

Avondene Properties holds additional stock of 49,292 Ordinary stock units in Braid Group which has acquired voting rights of one vote for every two stock units held. This means that the interest of Avondene in Braid is now 12.42 per cent. of the nominal value of the Ordinary stock.

Jefferson Smurfit group now holds 6,825,900 Ordinary (27.8 per cent.) in Alliance Alders Paper and Packaging.

Inchcape family investments have reduced their holding in Inchcape and Co. to 3,665,904 Ordinary (10.5 per cent.).

First Chicago Nominees sold 276,000 Ordinary of Estates and Agency Holdings which was in excess of 10 per cent. of the capital.

Higsons Brewery—32,394 Ordinary shares transferred from D. B. Corlett, G. L. Corlett and G. V. Penn to Mrs. N. E. Corlett. Mr D. B. Corlett's interests continued to be over 10 per cent. of Ordinary after the transfer.

Interfile Data Services has sold its holding of 248,000 Ordinary in Electronic Machine Company.

Matt Brown pays £1m. for Workington

Workington Brewery Company, the Cumberland brewing concern taken over Mount Charlotte Investments in March, 1973, is now being sold by Charlotte to Blackburn breweres, Matthew Brown and Company, in a deal involving some £1m.

In 1973, Charlotte was 10 per cent. owned personally by Mr. Maxwell Joseph, chairman of Grand Metropolitan, and Charlotte originally bid for two small West Cumberland breweres, Workington and Jennings Brothers. However, Jennings successfully fought off the approach while Workington's directors backed a deal after Charlotte raised its terms from £1.17m. to £1.3m.

Just over a year later in May, 1974, Mr. Joseph sold his Charlotte stake and left the Board in a move to reduce his non-executive commitments.

Matthew Brown will be buying the entire Workintgon Ordinary capital and 73.6 per cent. of the Preference. It will pay £830,000 and additionally purchase at valuation stock in trade currently valued at about £200,000 owned by Charlotte and used in the Workington business.

At the same time the County Hotel, at Keswick, will be conveyed from Workington to Charlotte.

The deal will give Matthew Brown an interest in rugby league, since one of Workington's assets is a 33 per cent. holding in the Workington Town RLFC, inherited from the days when it backed the club's development.

G. A. ROBINSON SALE

G. A. Robinson, the motor components and engineers' tools group has sold the business interests of Listers Tools to Jackdaw Manufacturing Co. for an undisclosed sum.

Listers is currently centred at Wolverhampton and has been a major supplier of engineers' tools and equipment in the Wolverhampton area for many years.

COMPANY NEWS

Tricentrol off to dull start

RESULTS of Tricentrol in the first quarter of 1975 will be dull, but with indications of improving trading patterns in the second quarter and with steps taken to cut loss-making activities, "we look forward to a satisfactory result for 1975 as a whole."

This was stated at the annual meeting by chairman, Mr. Lucius Thompson McCausland. He also disclosed that following the recent announcement of a Government guarantee for £3m. bridging finance, pending the raising of long-term money, for the company's share of finance for the Thistle Field development, arrangements had now been concluded with Barclays Bank for the £3m.

Mr. McCausland said that the first quarter had been extremely successful for oil and gas interests in North America, but the position of the commercial division had been "somewhat difficult." The U.K. car and truck groups had performed well in difficult times, garden supplies had done well in adverse weather conditions and McMinns, the newly-acquired hardware company, had traded very steadily.

However, builders' merchanting had "suffered badly" from the depressed state of the building industry, though there was some indication of improvement in the second quarter.

Engineering and travel had shown a loss, due to closure of the Silverline coach operation at London Airport and of the engineering group.

Overseas, a downturn in building trade had begun affecting Oomens, the Dutch subsidiary, and a depressed economy in British Columbia had affected the Canadian builders' merchants operation.

In the North Sea, Tricentrol was participating in the drilling of two wells and was meeting 10 per cent. of drilling costs of both.

Headlam Sims

In spite of a small downturn in the second half from £50,015 to £47,136, pre-tax profit of Headlam, Sims and Coggins, footwear manufacturers, advanced from £107,509 to a record £127,523 for the year ended January 31, 1975.

Dividend for the year is up from 0.8464p to 0.9236p per 5p share.

To raise further capital, the director announce a one-for-three rights issue, details of which will be circularised on June 30.

	1974-5	1973-4
	£	£
Pre-tax profit	127,523	107,509
Tax	[illegible]	[illegible]
Net profit	[illegible]	[illegible]
Removal costs, etc.	—	[illegible]
Preference div.	[illegible]	[illegible]
Ordinary div.	[illegible]	[illegible]
Forward	[illegible]	241,351

Utd. Spring first half

AS A RESULT of the recession in the engineering industries adversely affecting the steel division in the second quarter, taxable profit of United Spring and Steel Group contracted from £447,000 to £151,000 for the half-year to March 31, 1975.

The interim dividend is again 0.42p net per 10p share, absorbing £41,000. Last year's total was 1.029p paid on taxable profit of £844,000.

Chairman, Mr. David Westwood, says that as stated in the annual report, results during the first quarter were affected less by the general downturn in industry than anticipated but the second quarter saw a "dramatic" reversal.

The situation was considerably worsened by de-stocking programmes by users and the influx of low priced imported steel. During this period the steel division was carrying stocks of U.K. produced materials which could not be reduced at the rate, or the prices, anticipated.

By contrast, the spring division maintained a good level of sales throughout but is now experiencing a lower level of demand.

At present, reports Mr. Westwood, the situation in the steel division indicates that the downtrend might be levelling off. Destocking appears complete and the group's own stocks are more in keeping with the current level of demand. However, it is too early to judge the possible effect of the announcement by The British Steel Corporation of its decision to cut prices of its strip mill products, he adds.

Despite the lower level of profits, the group continues to maintain a "satisfactory" level of liquidity.

COMMODITIES/Review of the week

Tin export curbs shrugged off

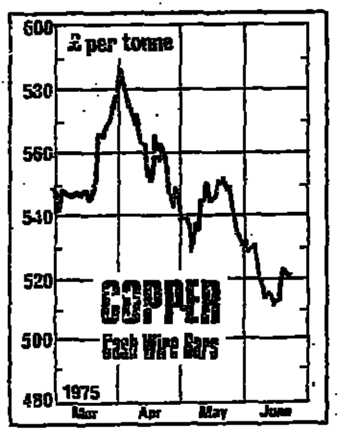
BY OUR COMMODITIES STAFF

TIN PRICES on the London Metal Exchange showed little reaction to the news from Geneva that the International Tin Council had decided to continue the present export cutbacks at a similar rate of around 18 per cent. Prices closed marginally lower, although moving up strongly in late kerb dealings.

The final text of the new International Tin Agreement is due to be approved formally to-day. It is expected to include a provision for increasing the present buffer stock of 20,000 tonnes by a further 20,000 tonnes, financed by voluntary contributions by consumer countries.

Tin producing countries were pressing originally for consumers to agree to compulsory contributions to an enlarged buffer stock. It is not known yet whether the U.S. is planning to join the agreement.

Copper prices rose slightly this week, despite another hefty rise in warehouse stocks and forecast of another increase. The market also took in its stride the cut in the U.S. producer price of 3 cents, down to 60 cents a pound, mainly because the reduction was lower than predicted. Sustained buying of cash copper by an influential dealer, normally associated with producer interests, helped to steady the market.



World sugar values continued to decline, the London daily price losing £18, to £128 a ton—the lowest level since late 1973. The fall was mainly attributed to continuing expectations of a bumper European beet crop at a time when demand in major consuming areas has been severely hit by higher prices.

London dealers are now discussing the possibility of a fall to £100 a ton, if the weather in Europe remains favourable to beet growing and if there are no major crop setbacks elsewhere.

The market was not encouraged by an estimate from sugar statistician, F.O. Licht, reducing his estimate of world output in 1974-75 to 78.88m. tonnes, against the 1973-74 production of 80.6m. tonnes.

Cocoa values lost ground on the terminal market, the September position declining by £7.25 to £441.5 a tonne. A forecast of a record Brazilian crop by the U.S. Department of Agriculture—confirming market predictions—started the downturn which was accelerated later by reported selling by producing countries.

Rubber prices rose marginally, the No. 1 RSS spot quotation advancing by 1.25p to 29p a kilo. There was some disappointment initially that the latest round of talks between producing countries on the creation of a natural rubber buffer stock had apparently made little progress, discussions being deferred again until next month. But some signs of an industrial recovery, and further interest by the Chinese, helped to sustain the market.

The earlier upturn in the wool market appears to have been reversed, with weaker tone at the auctions in Australia.

WEEKLY PRICE CHANGES

BASE METALS

COPPER—Ended the week on a firm note after a day of see-sawing prices on the London Metal Exchange. Opening at £536, forward metal moved up to £539 helped by Continental demand and modest speculative buying. It then reacted to £535.5 owing to profit-taking, coupled with forecasts of a further increase in the already record warehouse stocks figure. The market then picked up following the higher than expected opening of the U.S. market, which prompted renewed short-covering from one quarter. The forward price ended at £541 on the afternoon Kerb. Turnover 9,150 tonnes.

COPPER	a.m. Official	+ or —
	£	£
Wirebars		
Cash	519-.5	.....
3 months	537.5-8	+.25
Settlem'nt	519.5	.....
Cathodes		
Cash	506-.5	—1
3 months	525.5-4.5	—2.25
Settlem'nt	506.5	—1
U.S. Smt.	—	.....

TIN—Irregular.

TIN	a.m. Official	+ or —
High Grade	£	£
Cash	3024-6	—5
3 months	3034-5	—11
S'ment	3026	—5
Standard		
Cash	3024-6	—5
3 months	3034-5	—11
S'ment	3026	—5
Straits E.	6935	—2
New York	—	.....

FREIGHTS

DRY CARGO—Chartering subdued in most sections. A small cargo of wheat was covered from U.S. Gulf to Dominican Republic at $13.25, f.i.o. and a vessel was arranged for a completion cargo from St. Lawrence to Europoort with wheat at $5.25 f.i.o., both for June/July. Elsewhere wheat was covered from Antwerp to La Goulette at $13.50 f.i.o. with June-July loading.

OIL TANKERS—Quiet with more in-

SILVER

COCOA

COFFEE

GRAINS

RUBBER

SOYABEAN MEAL

SUGAR

MEAT/VEGETABLES

JUTE

WOOL FUTURES

COTTON

FINANCIAL TIMES

REUTER'S

DOW JONES

MOODY'S

U.S. Markets

Grains fall on weather report

NEW YORK, June 19.

SILVER closed lower despite a late rally, while copper declined in featureless trading. Profit-taking forced cocoa higher after making new contract lows yesterday. Sugar finished higher on trade buying. Chicago grains closed lower in maize and wheat on reports of clearing weather in key growing areas. Beans edged higher in a lacklustre session, Bache reports.

Cocoa—Ghana spot 61 (62). Bahia Spot 52 (51). July 45.90 (44.65). Sept. 41.95 (41.10). Dec. 41.55 March 41.75. May 42.15, July 42.60 nom. Sept. nil. Sales: 1,137.

Coffee—Spot Santos No. 4 unquoted (unquoted). Colombian Mamis unquoted

COMPANY NEWS

Strike cost Mersey Docks £2.3m.

The Mersey Docks and Harbour Company incurred a loss of £4.13m., against £4.42m. in 1974 before crediting grants of £3.03m. (£1.68m.).

Mr. J. Page, chairman, reports that the nine-week strike cost the company £2.3m.

Since the strike there had been a period of industrial peace and stability which it is intended to maintain by improved communication and consultation with the employees, and a greater identity of purpose, he adds.

As known, a repayment to unsecured loan holders of 2p per £1 stock is to be made. It is difficult, the chairman says, to give any forecast of what sums might become available during 1975 for further repayment but proceeds which should arise from the sale of the Albert Dock site—deriving from a gross figure of £2m.—will, it is hoped, form the nucleus of a distribution in 1976 of the sale of land in 1975.

On 1975 prospects, he says that less traffic has been handled than was budgeted for but in recent weeks there has been a distinct improvement.

	1974 £000	1973 £000
Operating revenue	29,776	27,271
Operating expenditure	26,800	22,672
Operating profit	2,958	4,761
Depreciation	3,077	3,629
Interest charges	4,011	5,550
Loss	**4,130**	**4,418**
Grant*	3,027	1,680
Loss	1,097	2,738
Extra-ordinary items†	132	232
Loss for year	965	2,506

* In respect cargo handling losses.
† Profit on disposal land and investments.

Meeting, Liverpool, July 17 at 11.45 a.m.

RTD Group slightly ahead

An increase in pre-tax profit of 2 per cent. to £466,279 for the year ended February 28, 1975, after £218,338 (£199,165) in the first half, is announced by Dublin-based **RTD Group**, formerly Ryan-Traders Distribution.

Earnings are shown to have advanced from 10.8p to 11.5p per 20p share. A final dividend of 8.6p gross keeps the total at 11.4p.

The directors explain that the international spread of the group's acquisitions has proved of advantage, giving it a wider linkage of markets and a greater opportunity for its presently growing export activities.

As a result of a fall in new car registrations, the battery market contracted and badly hit the battery manufacturing business. The group's activity in this field was discontinued. Net cost of closure was £162,024, offset by £36,1000 profit on sale of property giving an extraordinary item of £125,024 transferred to capital reserves.

An increase of 36 per cent. in new motor cycle registrations for the first quarter of 1975 is reflected in the continuing success of the Birmingham motor cycle parts and accessory distributor. Tyre distribution in Ireland continues to grow "extremely well," although the rest of the Irish motor part distribution business is less buoyant.

Fidelity Radio confident

Mr. J. Dickman, chairman of **Fidelity Radio**, reports that the first month of the current year has seen a very high level of demand preceding the higher VAT rate on the group's products.

On the home front he expects that the first few months will be difficult, but these correspond traditionally to the low season.

Mr. Dickman is confident that consumers will have adjusted to the new rate and he anticipates that demand will pick up by the end of the summer when shops will have to replenish their depleted stocks.

Exports continue to expand in Europe and the group is making inroads into Africa and hopes to penetrate the Canadian market very shortly.

Reflecting increased costs and heavier interest charges group pre-tax profits fell from £2.21m. to £1.46m. in the year ended March 31, 1975.

Meeting Gt. Eastern Hotel, EC, July 11 at noon.

Barker & Dobson loss forecast

A FULL YEAR loss "substantially greater" than in the first half—when the pre-tax deficit was £502,000—was forecast yesterday by Mr. G. Clarkson, acting chairman of **Barker & Dobson**, the confectionery group, where Mr. William McPhail retired as chairman and director last month.

Mr. Clarkson also warned of a delay in the preliminary results for the year to March 31, 1975, because of the discovery in the course of audit in accounts of the Oakeshotts subsidiary of figures "which vary widely from those which were anticipated by the management in the course of the year."

Mr. Clarkson says the situation is being examined by accountants, Arthur Anderson and Company, in co-operation with B & D's auditors, Pannell Fitzpatrick and Company.

Referring to the many top management changes over the past year within the group, Mr. Clarkson says it has become apparent to the new team, not only in Oakeshotts, but also in the confectionery manufacturing areas, "that there are fundamental problems which require urgent attention and that the depth of these problems had been much under-estimated by the previous management."

Merchant bankers, Keyser Ullmann, has been asked to examine the group's activities and to advise on action to be taken.

B & D's shares, in front of the news, were unchanged at 41p

Continental Corp. takes up Phoenix rights

Continental Corporation, a U.S. concern and a major shareholder in Phoenix Assurance Company, is taking up the major part of its rights in respect of the Phoenix rights issue.

This was disclosed yesterday by Phoenix when it announced that an extraordinary meeting had approved a necessary increase in the authorised capital.

Continental has sold 1.39m. of its Phoenix holding, reducing its holding from 10.38m. shares (23.1 per cent.) to 9.44m. shares (20.1 per cent.). The company has said it proposes to take up its rights entitlement on the balance of its holding and it will thus, after the rights, hold 11.8m. shares (20.1 per cent. of the enlarged equity). Another shareholder, Friends Provident Life Office, has indicated it will take up its right in full.

Provisional allotment letters have been passed to shareholders. Acceptance must be lodged and dealings in the new shares nil paid will commence on June 23.

Avenue Close

Profit for the year to March 31, 1975, of property holding and investment company, Avenue Close increased from £263,211 to £366,221, subject to tax of £205,936 (£142,848).

Earnings per 20p share advanced from 1.97p to 2.68p, and the dividend is effectively raised from 0.9275p to 1.148p net.

Minority interest takes £2,818 (£4,176), and £89,973 (£61,376) is retained.

This week's SE dealings

Friday, June 20	4,743	Wednesday, June 18	5,745	Monday, June 16	5,859
Thursday, June 19	4,588	Tuesday, June 17	5,698	Friday, June 13	6,334

The list below records all yesterday's markings and also the latest markings during the week of any share not dealt in yesterday. The latter can be distinguished by the date (in parentheses).

The number of dealings marked in each section follows the name of the section. Unless otherwise denoted shares are £1 fully paid and stock £100 fully paid. Stock Exchange securities are quoted in pounds and fractions of pounds or in new pence and fractions of new pence.

The list below gives the prices at which bargains done by members of The Stock Exchange have been recorded in The Stock Exchange Daily Official List. Members are not obliged to mark bargains, except in special cases, and the list cannot, therefore, be regarded as a complete record of prices at which business has been done. Bargains are recorded in the Official List up to 2.15 p.m. only, but later transactions can be included in the following day's Official List. No indication is available as to whether a bargain represents a sale or purchase by members of the public. Markings are not necessarily in order of execution, and only one bargain in any one security at any one price is recorded.

‡ Bargains at Special Prices. Δ Bargains done with or between non-members. φ Bargains done previous day. § Bargains done with members of a recognised Stock Exchange. ♣ Bargains done for delayed delivery or "no buying-in." $A—$Australian; $B—$Bahamian; $C—$Canadian; $HK—$Hong Kong; $J—$Jamaican; $Ma—$Malayan; $Me—$Mexican; $NZ—$New Zealand; $S—$Singapore; $US—$United States; $WI—$West Indian.

BRITISH FUNDS, ETC. (607)

2½pc Anns 16φ
3pc British Transport 1978-88 41⅞φ 2φ [illegible]
4pc British Transport 1972-77 88¾φ [illegible]
2½pc Cons 16¼φ [illegible]
4pc Cons. Ln. 27¼φ [illegible]
3½pc Conversion Ln 25φ [illegible]
5pc Exchequer Ln. 1976-78 85½φ [illegible]
5¼pc Exchequer 1976 98¼φ 8φ 5
5½pc Funding Ln 1978-80 79¾φ 80¼φ 79 [illegible] 80
5¾pc Funding Ln 51¼φ 2φ 1¼φ
6pc Funding Ln. 1993 49½φ [illegible]
5½pc Funding Ln 1985-87 67φ [illegible]
3½pc Funding Stk 1999-2004 26¼φ 7¼φ
5¼pc Funding Stk. 1982-84 70¾φ 1φ 70½φ [illegible]
3pc Savings 1965-75 95φ 99.01φ 99.02φ 99.07 99.06 99.09
6½pc Treasury Ln. 96¼φ 7φ [illegible]
6¾pc Treasury Ln 1995-98 49¼φ [illegible]
7¾pc Treasury Ln. 1985-88 67 [illegible] 8¼φ [illegible]
7¾pc Treasury Ln. 2012-15 51¼φ 70 [illegible]
8pc Treasury Ln 2002-06 56½φ [illegible]
8½pc Treasury Ln. 86½φ [illegible]
8¼pc Treasury Ln. 1980-82 85½φ [illegible]
8¾pc Treasury Ln. 1984-86 77¼φ 8¼φ [illegible]
8¾pc Treasury Ln 1997 64¼φ ¼φ 4φ
9pc Treasury Ln. 1994 65¾φ [illegible]
9pc Treasury Ln 1992-96 66φ [illegible]
9½pc Treasury Ln 1999 65 [illegible]
12pc Treasury Ln 1983 102φ [illegible]
12½pc Treasury Ln. 1993 86½φ [illegible]
12¾pc Treasury Ln. 99φ [illegible]
2½pc Treasury Stk. (Reg) 17¼φ 10
3pc Treasury Stk. 2020 [illegible]
3pc Treasury Stk 1977 87¼φ [illegible] 11-64ths
3pc Treasury Stk. 1977 (A) 87¼φ
3pc Treasury Stk 1979 78φ [illegible] 13-64ths [illegible]
3pc Treasury Stk 1979 (A) 78¼φ
3½pc Treasury Stk. 1977-80 (Reg) 75½φ [illegible]
3½pc Treasury Stk 1979-81 (Reg) 73½φ [illegible]
5pc Treasury Stk. 1986-89 (Reg) 50½φ [illegible]
5½pc Treasury Stk 2008-12 (Reg) 39 φ [illegible]
5½pc Treasury Stk. 1977 (Reg) 94½φ [illegible]
8pc Treasury Stk. 1978 95½φ [illegible]
9pc Treasury Stk 1978 (A) 95 27-64thsφ
9½pc Treasury Stk 1980 95[illegible]
10¼pc Treasury Stk 1976 100¼φ [illegible]
10½pc Treasury Stk 1978 98 φ 95 [illegible]
10½pc Treasury Stk 1979 97¼φ [illegible]
11½pc Treasury Stk 1977 102¼φ [illegible]
11½pc Treasury Stk 1979 100[illegible]
9pc Treasury Cnv. Stk. 1980 93¼φ [illegible]
4pc Victory Bds (£50) £100 £200 £500 £1,000 £5,000. 98 (17/6)
3½pc War Loan 23[illegible]
British Electricity 3pc 92 [illegible] 3½pc 78[illegible] 4¼pc 79 [illegible] 80 79[illegible]
British Gas 3pc 70 [illegible]
Guaranteed 3pc Stk (Irish Land) 82[illegible] (17/6)
Gtd. 4pc Stk (Northern Ireland) 59 (19/6)
Irish Free State 4½pc Land 47[illegible] (19/6)
North Scotland Hydro 4pc 84φ 4 3½pc 73[illegible]
3pc Redemption 30¼φ [illegible]

INT. BANK STOCK (—)

FREE OF STAMP DUTY

5pc Stk. [illegible] (16/6)

CORPN & COUNTY—U.K. (46)

FREE OF STAMP DUTY

London Cty 2½pc in aft 1920 [illegible] 3pc in or aft. 1920 [illegible] 5pc 59[illegible] 5½pc 1977-81 69φ [illegible] 1982-84 57[illegible] 1985-87 50[illegible] 6pc 1975-78 86φ [illegible] 6pc 1976-1979 [illegible]
Corp. of London 6½pc 1975-78 84[illegible] (19/6) 9½pc 1984-85 79φ 9½pc 88[illegible]
Greater London 6½pc 9[illegible] 6½pc 1976 94[illegible] 6¾pc 1990-92 52[illegible] (17/6) 7½pc 9[illegible] (19/6) 7½pc 75[illegible] 9¼pc 83φ 9pc 83[illegible] (19/6) 12½pc 1982 96½φ [illegible] 12½pc (Iss. at 97.75pc £40pd.) 38[illegible]
Avr 6½pc 80[illegible]
Birmingham 3pc in or aft. 1946 19[illegible] 5½pc 55[illegible] 9-64thsφ. 6pc 92φ (19/6) 7pc 76[illegible] 9pc 95[illegible] (19/6)
Bristol 6pc 97[illegible] (16/6) 7pc 98[illegible] (16/6) 7½pc 77[illegible]
Buckinghamshire 5½pc 99[illegible] 9pc 84[illegible] (17/6)
Cambridge 7pc 95[illegible]
Camden 80[illegible] (19/6)
Cardiff 7pc 71[illegible]
Croydon 6½pc 72φ [illegible]
Essex 5½pc 85[illegible]
Glasgow 6pc 98[illegible] (16/6)
Gloucestershire 9½pc 84φ (19/6)
Hampshire 9½pc 27 (17/6)
Hertfordshire 5½pc 7[illegible] (17/6) 5½pc 55[illegible] 7[illegible] (19/6) 6½pc 89[illegible] (16/6) [illegible] 62[illegible]
Lanarkshire 6pcRd. 73[illegible] (17/6) 9½pc Rd 92φ
Liverpool 3½pc 21 [illegible] 5½pcRd 1974-76 95φ [illegible] 5½pcRd 1971-75 92[illegible] (19/6) 5½pcRd 52[illegible] 7pcRd 89[illegible] (19/6)
Middlesex 6¼pcRd. 82
Newcastle-upon-Tyne 6pcRd. 97[illegible] 9½pcRd 1978-80 86 [illegible]
Newham 99[illegible]
Nottingham Gas Anns 19[illegible] 20[illegible] (19/6)
Poole 91[illegible] 17 64φ
Reading 3½pc 19[illegible] (19/6)
Salford 50[illegible] (17/6)
Slough 82[illegible] (19/6)
Somerset 94[illegible] (16/6)
Southend-on-Sea 5½pcRd. 78[illegible] 12[illegible]Rd (Fy Pd.) 99
Stirling 6pcRd 96[illegible] (19/6)
Swansea 9½pcRd. 34[illegible]
Warwickshire 6½pcRd. 88[illegible] (19/6) 12½pc Rd. (Fy Pd.) 99[illegible] 12½pcRd (Iss. at 99½pc £65 pd.) 65[illegible]
West Bromwich 7pcRd. 94[illegible]
Westminster (City of) 13pcRd (Iss. at 97½pc £10 pd.) 9[illegible]
West Herts Main Drainage 92φ (19/6)

SHORT DATED BONDS
FREE OF STAMP DUTY

12¼pc Bds. (9.7.75) 100.2750 100.2770
14¼pc Bds. (9.7.75) 100.2750 (19/6)
13½pc Bds. (16.7.75) 100.3400 100.3420 (19/6)
13½pc Bds. (23.7.75) 100 [illegible] 100.3580 100.3600
13½pc Bds. (30.7.75) 100.4590 100.4610 (19/6)
13½pc Bds (17.9.75) 100 [illegible] (17/6)
14½pc Bds. (31.12.75) 102 [illegible]
13½pc Bds. (7.1.76) 100 [illegible]
12½pc Bds. (21.1.76) 101 [illegible] (17/6)
12pc Bds. (28.1.76) 100 29-[illegible]
[illegible] 100.9680 100.9750 101
11½pc Bds (4.2.76) 100.5900 100.5330 100.5760 100.5840 100.5880 100
11½pc Bds. (11.2.76) 100 [illegible]
11½pc Bds. (18.2.76) 100 [illegible]
11½pc Bds (3.3.76) 100.1520 100.156 (17/6)
11½pc Bds. (10.3.76) 100.154 100.158 (17/6)
11½pc Bds. (17.3.76) 100.071 100.075 (17/6)
11½pc Bds (24.3.76) 100.251 100.255 (17/6)
13½pc Bds. (24.3.76) 101.766 101.779 (17/6)
11½pc Bds (31.3.76) 100.174 100.177 (17/6)
11½pc Bds. (7.4.76) 99 [illegible]
11½pc Bds. (14.4.76) 100.091 100.095 (17/6)
10½pc Bds. (23.4.76) 99.816 99.820 (17/6)
12½pc Bds Reg 100 (19/6)
12½pc Bds. Reg. 101 [illegible]
11½pc Bds. Reg 100.540 100.544 (17/6)
11½pc Bds. Reg 100 [illegible] (17/6)
11½pc Bds Reg 100

11½pc Bds. Reg. 100[illegible]
12½pc Bds. Reg. 100[illegible]

PUBLIC BDS., ETC.—U.K. (30)

FREE OF STAMP DUTY

Belfast Harbour Comm. 5½pc Red 77½φ (19/6)
Elec. Board 5½pc 1977-79 74¼ (16/6)
Gt. Ouse Water Authy 5½pc Red 45½φ (19/6)
Metropolitan Wtr. Bd. Met Water. 3pc (A) 20[illegible]. Do 3pc(B) 21. Do. 5½pc Stk. 63[illegible]
Agricultural Mtg. Corp. 5½pcDb. 53[illegible] 6pc 52[illegible] 6½pc 50[illegible] (18/6) 7½pc 88φ. 9½pc 78 (16/6) 10½pc 65[illegible] (16/6) 14½pc 101[illegible] (19/6). Fin. for Ind. 13pc Ln 95[illegible] (19/6)
Scot. Agric. Sec. Corp. 5½pcDb. 43φ Do. 5pcDb. 43 1975-76 97[illegible] (17/6). Do 7½pc 1988-92

SUBJECT TO STAMP DUTY

Port of Lon. Authy. 3½pc Reg. 99½φ
Agricultural Mortgage Corp. 4½pcDb. 36[illegible]
Do 5pcDb. 43
Scottish Agricltrl Sec. Corp. 3½pcDb. 29φ (19/6)

COMMONWEALTH GOVT. AND PROVINCIAL SECURITIES (8)

REGISTERED AND INSCRIBED STOCKS

Australia (Commonwealth of) 3pc Reg. Do. 5½pc 1976-80 78[illegible]. Do. 5½pc 1983-87 85φ. Do. 5½pc 1981-82 67[illegible]. 6pc 1974-76 93[illegible]. Do. 6pc 1975 98[illegible] Do. 6pc 1981-83 64[illegible]
New Zealand 3½pc 53[illegible]. Do. 4pc 77[illegible] (19/6). Do. 6pc 1976-80 77φ. Do. 6pc 1975-76 97[illegible] (17/6). Do. 7½pc 1988-92 63 Do. 7½pc 1983-86 64[illegible]
Northern Rhodesia 5pc 76 (16/6). 6pc 1976-79 82φ (19/6)
Nyasaland 5pc 72 (16/6)
Southern Rhodesia 2½pc 39φ (19/6). Do 3½pc 1967-69 40φ. Do. 4½pc 1977-82 53 (17/6). Do. 5pc 41 (16/6)
Tanganyika 3½pc 63[illegible] (19/6)
Nigerian Ports Authy. 6pc Stlg Gtd Ln 67

COMMONWEALTH CORPN. STOCKS (—)

South African (Union of) 5½pcReg 94[illegible] (19/6)

FOREIGN STKS., BDS., ETC. (1)

COUPONS PAYABLE IN LONDON

Chilean 6pc (now 3pc.) Bds. 1926 (Assd 1948) 92φ (19/6)
Chinese 5pc Reorg Gold Ln. 1913 (Belgian Issue) 35[illegible] (19/6) 4½pc Gold Ln 1909 20 (19/6)
Greek 7pc Railways Ln 1902 (Assd with Acceptance Cert.) $US75[illegible] (19/6). Stg Fdg Bds. of 1965 [illegible] (19/6). 4pcLn. of 1910 (Assd. with Acceptance Cert.) $US75[illegible] (19/6). Stg Fdg. Bds. of 1965 [illegible] (19/6)
Ireland (Rep. of) 9¾pc 1991-96 65½ (16/6)
Peru Nat. Ln (Enfaced) 140φ
Rio de Janeiro (St. of) 5½pc Conv. (Stlg. Ln. Bds.) (Plan A—Int. now 1½pc) 41
Uruguay 3½pc Bds. (Assd. Bds.) 70 (16/6)
National Coal Board 8¾pc $US88[illegible] 9 (16/6)
Rautaruukki Oy Iron Wks 6¼pc 92[illegible]

U.K. AND COMMONWEALTH RAILWAYS (1)

Canadian Pacific ($C5) 10⅝ (16/6). 7½pc Pfd. Sers. A ($C10) 608φ (19/6). 4pc Pf. 41φ (19/6). 4pcPerp.Cons.Db. 26φ [illegible]

FOREIGN RAILWAYS (—)

Antofagasta (Chili) Bolivia Ry. Cons Ord 10½ 11φ (19/6)

BANKS & DISCOUNT COS. (241)

Alexanders Discount 129 90 (17/6)
Allen Harvey Ross 4pcPf. 24φ (19/6)
Allied Irish Banks (25p) 115[illegible] 20φ 17 18 21
Australia New Zealand Banking Grp 398φ 402φ 400 2 396
Bank of America Cpn ($US3.125) $US45[illegible]
Bank of Ireland 455 60
Bank of Montreal ($C2) 11[illegible]
Bank of New South Wales ($A2) 610φ 20φ 19 6
Bank of Scotland 245φ 52[illegible] 47[illegible] 3 50 45
Barclays 293φ 80 5 7 3 2 8½pcLn. 55[illegible] 5[illegible]
Barclays Intl. 53[illegible]
Bates (Edward) (Hldgs.) (25p) 59φ
Canadian Imperial Bank ($C2) 18[illegible]
Chase Manhattan Cpn ($US12.50) 27[illegible]
Clive Discount Hldgs New 20p 31[illegible] 2φ
Commercial Bank of Australia ($A1) 238φ. Ord ($A1) 80φ 38 7[illegible] 78 5
Commercial Banking Sydney ($A1) 165 (17/6)
Gerrard National Dis (25p) 265φ (19/6)
Gibbs (Anthony) (25p) 38φ 9φ
Guinness Peat Gp (25p) 149φ 50φ 50 8pcLn. 92[illegible] 50
Hambros Sns (25p) 168φ 9φ 8 75
Hill Samuel (25p) 87φ 90 Wts. 9[illegible] 5
Hongkong Shanghai Bank ($HK2.50) 238φ 40φ 1 2
Leopold Jos (20p) 21φ (17/6)
Keyser Ullmann (25p) 50φ 1 50 7½pc Db. 44[illegible]
King Shaxson (20p) 57φ (19/6)
Kleinwort, Benson (25p) 106φ 76
Lloyds Bank 240φ 7φ 3 5 8 6 [illegible] 4. 7½pcLn. 93φ 7 3
Lombard N. Cent. 29
Mercury Secs. (25p) 113 14
Midland Bank 262φ 9[illegible] 6[illegible] 8 5 70 63 10½pcLn. 62[illegible] 7½pcLn 80[illegible] 79
Minster Assets (25p) 40[illegible]
National and Commercial (25p) 63φ 3
National and Grindlays (25p) 52φ
National Westminster 245[illegible] 50φ 50 Wts. 90φ 1φ 3 1 7pcPf. 51[illegible] 2[illegible]. 8½pc Ln 83 9pcLn. 61[illegible] 2
Ottoman Bank (Fr.) (£10, £10 pd.) 29[illegible] (17/6)
Royal Bank of Canada ($C2) 23[illegible]
Schroders 390φ
Sime Darby London Pfd (10p) 58φ. 7½pc Pf 46φ
Slater Walker Securities (25p) 72φ 40φ 6 4 70. Warrants to sub. for Ord 27φ 8 6½pcPf 39φ [illegible] (19/6). 9½pcLn. 53[illegible] 9½pcLn 1988-93 56[illegible] 7[illegible] (16/6) 9½pcLn. 66φ 7
Smith St. Aubyn (25p) 55 6 (16/6). New (25p) 55φ (19/6)
Standard Chartered Banking 501φ 10φ 500φ 50φ 5. 13½pcLn. 100φ ½ 100¼
Toronto-Dominion ($C2) 31
Union Discount London 302φ

BREWERIES & DISTILLS. (153)

Allied Breweries (25p) 56φ 7φ [illegible] 80 9[illegible] 9 8 70 5½pcPf. 38[illegible]. 7½pcPf. 52 (17/6) 4½pcRed. Db 1975-80 67[illegible] (17/6) 6½pcRed. Db. 1987-92 47[illegible] 5½pcLn. 32[illegible] 6½pcLn. 33[illegible] (19/6) 7½pcLn. 50[illegible]
Amal. Distilled Prods. (10p) 37φ
Bass Charrington (25p) 95[illegible] 8φ 8 101 100 99. [illegible]pcDb 1977-79 87[illegible] 8[illegible] 6½pcDb. 1977-79 85φ 4[illegible]. 8½pcDb 1987-92 59[illegible] 7½pcLn. 50[illegible]
Bell (Arthur) and Sons (50p) 100. New 9φ 11φ 9 12
Boddingtons Breweries (25p) 96φ (19/6)
Border Breweries (Wrexham) (25p) 52φ
Brown (Matthew) (25p) 60 (17/6)
Buckley's Brewery (25p) 29φ
Bulmer (H.P.) (25p) 53
Cameron (J. W.) (25p) 106φ 9φ
City of London Brewery and Invest. Trust 106. Dfd. (25p) 45φ 4φ 4 [illegible]
Courage 3½pc2ndDb. 34[illegible] (19/6). 8pc 2ndDb 56[illegible] 10½pcLn 71
Davenports Brewery (Hldgs.) (25p) 40[illegible]
Distillers [illegible]
[illegible]
Mansfield Brewery 4pc1stDb. [illegible]
Marston Thompson Evershed (25p) 38 9 (16/6)
Scottish Newcastle Breweries (20p) 51[illegible] 3[illegible] 5 4[illegible] 3[illegible] 4 7½pcPf. 56φ 5[illegible] (19/6) 6½pc1stDb. 64 (16/6)
South African Breweries (R0.20) 126φ 8φ 7[illegible] 9 7pcPf (R1) 66φ (19/6)
Teacher (Distillers) 5pcPf 35φ 4[illegible] (19/6)
Vaux 263φ 5
Watney Mann Truman 8½pcLn. 44[illegible]
Whitbread A (25p) 57[illegible] 62[illegible] 4[illegible] 3 [illegible] 4½pc1stPf. 29[illegible] [illegible] (19/6). 4½pc2nd Pf. 28[illegible] (19/6) 6pc3rdPf 43[illegible] (19/6) 7pc3rdPf. 4[illegible] (17/6). 5½pcDb. 45[illegible] 6½pcDb 49φ (19/6) 9½pcDb. 65[illegible] 60 7½pcLn 52[illegible] (16/6). 7½pcLn. 47[illegible] (19/6)
Wolverhampton Dudley (25p) 120φ 2

CANALS AND DOCKS (4)

Allseas Shipping (10p) 5[illegible] (16/6)
Manchester Ship 192φ (19/6)
Mersey Docks Harb. Comb. Units 5[illegible] [illegible] 4[illegible] 7[illegible] 7 8 5[illegible] 6[illegible] 3½pcDb 15[illegible] (16/6). 5½pcDb Sept. 1975 96[illegible] (17/6). Do 1980-82 38[illegible] (19/6) 6½pcDb 1994-97 27[illegible] (16/6) 7½pcDb. 80[illegible]
Milford 73 (16/6)

COMMERCIAL, INDUSTL. (2,691)

A—B

A.A.H. (25p) 122
A B Electronic Components (25p) 32φ
AD Internatl (25p) 80φ 1[illegible]
AGB Research (10p) 36 (17/6)
A P V Hldgs. (50p) 212φ
A.V P Industries (25p) 54φ
Aaronson Bros. (10p) 35φ (19/6)
Abbey Ltd (25p) 26φ (19/6)
Abercom Invests (R0.30) 304φ
Aberdeen Construction Group (25p) 66φ
Aberthaw Bristol Channel Port Cement (25p) 78φ
Acrow (Engineers) (25p) 68φ. A (25p) 63φ 5φ 2φ
Adams Foods (10p) 21φ
Adda International 7½pcUnsec.Ln 35φ
Advance Laundries (10p) 13[illegible] (19/6)
Adwest Group (25p) 126φ. 8pcUnsec.Ln 85
Agar Cross 10φ
Airfix Industries Non V. (20p) 53φ (19/6)
Albion (20p) 21 (17/6)
Albright Wilson (25p) 70φ 70 1 2. 5pc Pf. 30[illegible]
Alcan Aluminium (U.K.) 10½pcGtd.Ln. 65[illegible] (19/6) 9pcUnsec.Ln. 69 (17/6)
Alexanders Hldgs. (5p) 4[illegible] (17/6)
Alida Packaging Group (10p) 73φ
Allen (Edgar) (25p) 47φ 7
Alliance Alders Paper (10p) 27[illegible] (16/6)
Allied Colloids (10p) 83φ (19/6)
Allied Insulators (25p) 15[illegible] 7
Allied Invs (5p) 47[illegible] 6. 10pcLn. 98φ (19/6)
Allied Mfg Tdg. Inds ($A1) 150φ
Allied Polymer (25p) 75[illegible]
Allied Retailers (10p) 79 7
Allied Suppliers 6½pcLn. 35 (16/6)
Allied Textile (25p) 57φ 6
Alpine Hldgs (5p) 10[illegible] 11 (16/6)
Alpine Soft Drinks (10p) 50 (16/6)
Amalg'd Metal 173 (16/6)
Amalg'd Power Eng'g (25p) 39φ. 6pcLn. 23φ (19/6)
Anchor Chem (25p) 33φ
Anglia Televsn N-V A (25p) 66φ
Anglo-American Asphalt (25p) 60 (17/6). 4pcPf. 20φ (19/6)
Anglo-Thai Cpn. (25p) 117φ [illegible]
Anglo-Tyl Inds (R0.50) 180 (17/6)
Anglowest (10p) 28 (17/6)
Aquascutum Assocd. A (5p) 19[illegible] 20
Argus Press 7½pcPf. 36[illegible] (19/6)
Armitage Shanks (25p) 54 5 (16/6). 10pc Ln 51[illegible] (16/6)
Armstrong Eqpt (10p) 40
Ash Lacey (25p) 130
Associated Biscuit Manftrs. (20p) 63φ 1φ. New Ord. (20p) 62 3 (16/6). A (20p) 62 (16/6) 3.65pcPf. [illegible]. 6pcDb. 63[illegible]
Associated British Eng. (12½p) 4[illegible] (16/6)
Associated British Foods (5p) 64 [illegible] 5½pcLn (50p) 17[illegible] 7½pcLn 1987-2002 (50p) 23. 7½pcLn. 1994-2004 182
Associated Dairies (25p) 177φ 8φ
Associated Electrical Inds. 6pcDb. 60[illegible] 1[illegible] 6½pcDb 47[illegible]
Associated Eng. (25p) 53[illegible] 3 4. Ord (Fly Pd.) (25p) 53φ [illegible] 4 3[illegible] 3 Ord (25p) 9[illegible] 10[illegible] 90 [illegible] 7½pcDb. 58[illegible] 8pcLn. 43φ 40
Associated Fisheries (25p) 29[illegible] 9
Associated Leisure (5p) 22[illegible] [illegible] 7½pcLn. 37
Associated Manganese Mines of S. Africa (R0.50) 15[illegible]
Associated Newspapers Grp (25p) 199φ 100
Associated Paper Mills (25p) 20φ (19/6)
Associated Portland Cement Manfs. 140φ 2φ 4 5 6. 5½pcDb. 37[illegible] (19/6) 6pcDb. 42[illegible] 9pcDb. 62φ 1[illegible]
Associated TV Corp. A (25p) 44φ 3[illegible] 5φ 3
Associated Tooling Inds (25p) 31 (16/6)
Atlas Stone (25p) 60φ 58φ (19/6)
Attwood Garages (25p) 11[illegible] (19/6)
Ault Wiborg Grp. (25p) 27[illegible] 8
Aurora Hldgs. (5p) 10[illegible]
Austin (F.) (Leyton) (10p) 7[illegible]
Automotive Products (25p) 26 (16/6)
Avana Grp. (5p) 8[illegible]
Aveling-Barford 7½pcDb 99
Averys (25p) 99
Avon Rubber 39φ 27φ 35 1[illegible] 3 2 30
BBA Group (25p) 50φ (19/6)
BOC Intnl (25p) 49[illegible] 50[illegible] 1φ [illegible] 1 50[illegible] New (25p) 2[illegible] [illegible] 4φ 2[illegible] 4[illegible] 4 3[illegible] 4[illegible] 3 5. 5pc2ndPf. 31 (17/6). 9pcTonnageDb. 1990 63
BPB Inds. (50p) 90φ 90. 7½pcLn 69[illegible] 71
B S G Intnl (10p) 10[illegible] 10 [illegible] 10½pcLn 49
BSR (10p) 67φ 9φ 9
BTR (25p) 124[illegible] 5[illegible] 6 [illegible]
Babcock Wilcox (25p) 110φ 12φ 14 12 13. 6pcPf. 30φ. 7pcLn 49[illegible]
Baird (Hugh) Sons (5p) 13φ (19/6)
Baird (Wm.) 65φ [illegible]
Baker Perkins Hldgs (50p) 36φ 7φ 5
Baldwin (H. J.) 7pcPf. 17[illegible] (16/6)
Ballantyne (Henry) Sons 6pcPf. 22 (17/6)
Bambergers (25p) 39 (17/6)
Bamfords (20p) 19φ (19/6)
Bank Bridge Grp. (5p) 7[illegible] 8
Bargel (J.) (25p) 12[illegible] (19/6)
Barker Dobson (10p) 4[illegible]
[illegible]
Beechwood Construction (Hldgs.) (10p) 14[illegible] (19/6)
Bellair Cosmetics (10p) 12φ
Benford Concrete Machinery (10p) 38φ
Benn Bros. (25p) 17φ [illegible]
Bensons Intnl. Systems (20p) 88φ 90φ
Bentalls (10p) 23φ 2
Bentima Industries (25p) 18φ (19/6)
Berger Jenson Nicholson 10pcUns.Ln. 80[illegible] (17/6)
Berisford (S. and W.) (25p) 156φ 60φ 1φ 4 5. 5pcPf. 17φ 18. 7½pcPf. 30. 9½pcCnv.Uns.Ln. 109 7 (16/6)
Berwick Timpo (25p) 33 (17/6)
Best and May (10p) 30
Bestobell (25p) 142 (17/6)
Bibby (J.) 73φ (19/6)
Biddle Hldgs. (25p) 38φ
Birmid Qualcast (25p) 43φ 40 4 3[illegible]. 7½pc Uns.Ln. 48[illegible] (16/6)
Birmingham Mint (25p) 40φ (19/6)
Black (A. and C.) (25p) 46 (17/6)
Black Edgington (50p) 140φ 37. 5pcPf. 27 (16/6). 9½pcCnv.Uns.Ln. 130
Black Arrow Grp. 50p. 17φ (19/6)
Black (Peter) Hldgs. (25p) 56φ
Blackman Conrad (5p) 15[illegible]
Blackwood Hodge (25p) 135. New (25p) 136 (16/6). 9pcCnv Uns Ln. 118φ
Blackwood Morton Sons (Hldgs.) (25p) 14[illegible] (17/6)
Blanden Noakes (Hldgs.) (25p) 100
Blakey's (Malleable Castings) (25p) 14[illegible] 4
Bodycote Intnl. 9½pcGtd.Uns.Ln. (5p) [illegible] 9½pcPrly.Cnv.Gtd Uns. 91φ
Bolton Textile Mill (5p) 70[illegible]. 5½pc Ln. 33φ
Bond Street Fabrics (10p) 14φ
Booker McConnell (50p) 158φ 60φ 60
Boosey Hawkes (25p) 91
Boot (Henry) Sons (50p) 110
Booth (Intl. Hldgs.) (25p) 28 (17/6)
Boots (25p) 231φ 7φ 5 7 8 6 40 39. 7½pcLn. 51[illegible] (16/6)
Borel (Jacques) Intl.(FF100) FF985 90 5 1000 (19/6)
Bowater Corporation 162φ 5φ 7φ 9 6 8[illegible] 7 8 70 65. 5½pcPf. 37φ 4[illegible]. 7pc Cnv.Ln. 83φ [illegible] 4
Bowthorpe Hldgs. (10p) 33[illegible] (17/6)
Braby Leslie (10p) 39φ
Brady (G.) A (25p) 50φ
Braid Group (5p) 11 (17/6)
Brammer (H.) (20p) 82[illegible] (17/6)
Brent Chem. Interntl. (10p) 59φ 60φ [illegible]
Brent Walker (5p) 41φ 2φ (19/6)
Brickhouse Dudley (10p) 24[illegible] (16/6)
Bridgend Investments (5p) [illegible]
Bridon (25p) 141φ 3φ 40[illegible] 3 2 4. 6pc Pf. (50p) 15[illegible] (17/6). 8pcDb. 53[illegible] (19/6)
Bristol Evening Post (25p) 57 (17/6)
British Aluminium 6pcPf. 36[illegible] (19/6). 3pc Mtg.Db (1988) 92[illegible] (17/6)
British-American Tobacco (Reg.) 315φ 20φ 14[illegible] 23 5 18 22 4 20 19. Ord.Stk. (Br.) (25p) 322φ (19/6). Dfd.Ord.Stk. (25p) 303φ 300φ 9. 5pcPf. 35[illegible] 7 (17/6). 6pc2ndPf. 43[illegible] (19/6). 7pcLn. 64 (17/6)
British American Tobacco Inv 10½pcLn. 69φ 9½pcCnv.Ln. 135φ (19/6)
British Benzol Carbonising (10p) 25 (17/6)
British Car Auction (10p) 41[illegible] 2
British Cotton Wool Dyers (25p) 18 (16/6). 4pcDb. 24φ (19/6)
British Dredging (25p) 20 (17/6)
British Enkalon (25p) 13 (17/6)
British Home Stores (25p) 322φ 3φ 20[illegible] 6φ 7
British Insulated Callender's Cables (50p) 117φ 18φ 21 18. 5½pcPf. 36[illegible] [illegible] (19/6). 6½pcDb. 59[illegible] 60[illegible]. 7pcDb. 53[illegible]
British Leyland (25p) 8[illegible] [illegible] 9[illegible] 8[illegible] 9 [illegible]. 6pcLn 28[illegible] (19/6). 7½pcLn. 40[illegible]. 8pcLn. 38φ (19/6). 7½pcLn. 41φ 40[illegible] 3 40
British Mohair Spinners (25p) 21[illegible] (19/6). 6pcPf. 31 (17/6)
British Printing Corporation (25p) 43[illegible]. 4.2pcPf. 27 (16/6). 8½pcDb. 52[illegible] [illegible]
British Rollmakers (25p) 28[illegible]
British Shoe Corporation 5½pcPf. 39[illegible] (19/6). 6½pcPf 42[illegible]. 7pcDb. 69[illegible] (19/6). 7pcLn 45[illegible]
British Steam Specialties (20p) 72φ
British Steel Constructions (25p) 3φ 2[illegible]. 5½pcDb. 30φ (19/6). 8½pcLn. 27φ
British Sugar 380φ 78
British Syphon Industries 18φ
British Vita (25p) 63
Britten (G. B.) Sons (Hldgs.) 9½pcBds. 59φ (19/6)
Brockhouse (J.) 135φ (19/6)
Brocks Grp. of Cos. (10p) 44φ 2
Brooke Bond Liebig (25p) 36[illegible] 7 6[illegible]. 7½pc 43[illegible] 5 7pcLn 42[illegible]
Brooke Tool Eng. (Hldgs.) (25p) 14φ
Brotherhood (Peter) (50p) 41φ
Brown Boveri Kent (25p) 15φ (19/6)
Brown Bros. Cpn (10p) 7[illegible] 8 (17/6). 8½pc Ln. 30φ (19/6)
Brown (John) 59φ 9 8
Brown Muff (25p) 195 (16/6)
Brown (N.) Invsts. (20p) 31φ
Brunning Grp Rest. Vtg (25p) 17
Bruntons (Musselburgh) (25p) 89φ
Bryant Hldgs. (25p) 22 1 (17/6)
Bullough (20p) 58φ 62φ 61[illegible] (19/6)
Bulmer and Lumb (Hldgs.) (20p) 20[illegible] (10/6)
Bunzl Pulp and Paper (25p) 91
Burnett and Hallamshire Hldgs. (25p) 47φ
Burrell (5p) 8φ 7[illegible]
Burton Grp (50p) 72 (17/6). A (50p) 57φ 8φ 8. Warrants to Sub. 13[illegible]. 9½pcLn. 55[illegible]
Butlin's 6½pc1stDb. 49[illegible]

C—D

CBR Jersey Hldgs (10p) 2[illegible]
CCH Invsts. (25p) 26φ
CGS Hldgs. (10p) 11φ
H. Industrials (10p) 15[illegible] 15
Cadbury Schweppes (25p) 46φ 7φ [illegible] 7 [illegible]
Ord. Shs. (25p) 46φ [illegible] 7[illegible] [illegible] 8 7. 3½pc1stPf. 35φ. 9pcLn. 56[illegible]
Caffyns 6½pc1stPf. 26 (17/6)
Calor Gas 58[illegible] [illegible] (19/6)
Campari (10p) 22φ (19/6)
Camrex (20p) 57[illegible]
Canner Neill (10p) 43[illegible] 5φ 30 5[illegible]
Caravans Int. (20p) 17φ
Carless Capel (10p) 63φ 49 3. New Ord 22φ 1[illegible] 2[illegible] 2
Caroni (10p) [illegible]
Carpets Int. 7½pcLn. 42[illegible] (16/6)
Carr (John) (25p) 34[illegible] (19/6)
Carrington Viyella (25p) 18[illegible] [illegible] 6½pcPf. 40 (16/6). 7.5pcDb. 54[illegible] [illegible] (19/6)
Carron (25p) 68φ
Causton (Sir Joseph) (25p) 11 (16/6)
Cavenham (25p) 128φ 30φ 27φ 30 2. Warrs. 66φ 5φ 2[illegible] 5. 6pcPf. 28[illegible]. 5½pcPf. 35. 8½pcLn. 57[illegible]. 11pcLn. 95[illegible] (17/6). 8[illegible] 10pcLn. 121
Central Manfng. (10p) 80[illegible] (19/6)
Central Wagon (25p) 37[illegible] 8[illegible]. 7½pc Ln. 64φ
Centre Hotels (10p) 29φ
Centrewav (25p) 22φ
Century Secs (10p) 14φ
Chalmers (E.) (10p) 23[illegible] (17/6)
Chamberlain Gp. (25p) 18φ (19/6)
Chamberlain Phipps (10p) 24[illegible] (16/6)
Change Wares (10p) 34φ (19/6)
Channel Tunnel (20p) 53
Chapman (Balham) 8½pcDb. 51[illegible] 2φ
Charles (David) (10p) 28[illegible]
Charrington Gardner (25p) 32φ. 10½pc Ln. 64[illegible] (19/6)
Chloride Gp. (25p) 99
Chubb So (20p) 100φ 2φ 1. 8½pcPf. 40[illegible] (19/6)
Ciro Hldgs. (5p) 8 (16/6)
Clark Fenn (Hldgs.) (25p) 36
Clark Son Morland 7pc2ndPf. 30[illegible] (19/6)
Clarke Chapman (25p) 59[illegible] 60[illegible]. 6½pc Unsec.Ln. 60 (17/6)
Clarke (T.) (10p) 2[illegible] (16/6)
Clay (Richard) (25p) 27φ (19/6)
Clover Dairies (25p) 80 (17/6)
Clyde Paper 7½pcPf. 29
Coalite Chemical Prods. (10p) 21φ 2φ
Coats Bros. 4½pc[illegible]
Coats Patons (25p) 56φ 7[illegible] 5[illegible] 6 7 6[illegible]. 6½pcUnsec.Ln. 39[illegible] (16/6). 7½pcUnsec. Ln. 43[illegible] (17/6)
Cocksedge (Hldgs.) (25p) 30
Cohen (A.) A (20p) 142φ
Cohen Bros. (Electrical) (10p) 46φ
Cohen (George) 600 Grp. (25p) 58[illegible]
Cole (R. H.) (25p) 49φ
Collars 5½pcPf. 23[illegible] [illegible]
Collett Dickenson Pearce Intnl. (10p) 26[illegible]
Coltness Grp. (25p) 14 (17/6)
Combined English Stores Grp. (12½p) 73[illegible] 5 3
Comet Radiovision Services (5p) 38φ 9φ (19/6)
CompAir (25p) 68φ 70φ [illegible] 68 9 [illegible]
Compton (J.) Sons Webb (Hldgs.) (20p) 19[illegible] 20φ (19/6)
Concentric (10p) 19 (17/6)
Concrete (25p) 40φ [illegible]
Consd. Tin Smelters 176φ 5. 7pcPf. 41[illegible] (19/6)
Continuous Stationery (10p) 25
Cook (William) (Sheffield) (20p) 15
Cooper Inds. (10p) 9[illegible]
Cooper Taylor (10p) 33 (16/6)
Cope Allman Intl. (5p) 33[illegible] 4[illegible] 7½pc Ln. 53
Cope Sportswear (10p) 22 (17/6)
Corah (25p) 24[illegible] 3φ
Coral (J.) Hldgs. (10p) 103[illegible] 30 4
Cornell Dresses (5p) 11φ 12φ (19/6)
Cornercroft (20p) 29[illegible] (16/6). 6½pcPf. (50p) 15[illegible] (19/6)
Coronet Industrial Secs. (10p) 7φ
Cosalt (25p) 35φ (19/6). 10.5pcPf. 66φ. 65 (19/6)
Costain (Richard) (25p) 204φ 5 4 6
Courtaulds (25p) 120[illegible] 1φ 30 4 5 6 7 5[illegible] 3[illegible]. 7pcDb. 58[illegible] 9. 7½pcLn. 46[illegible]
Courts (Furnishers) N-Vtg. A (25p) 73 (17/6)
Cowan de Groot (10p) 47φ (19/6). A (10p) 47φ (19/6)
Cox (H.) (Plant Hire) (10p) 14φ 13 15
Crane Fruehauf (10p) 14φ 13 15
Cray Electronics (10p) 14[illegible] 15[illegible]
Crest Nicholson (10p) 34[illegible] (19/6)
Croda Intnl. (10p) 61φ 1 60. New (10p) 61φ 60φ. 7pcLn. 81φ 80
Cronite Grp. (25p) 20
Crosby Spring Interiors (10p) 14φ
Crossland (R. and A. G.) (5p) 11φ
Crouch (Derek) (Contractors) (20p) 27 (16/6)
Crown House (10p) 17[illegible]
Crowther and Nicholson (5p) 2[illegible]
Crowther (John) Grp. (25p) 20φ 38φ (19/6)
Cutter Guard Bridge Hldgs. (25p) 17 (16/6) 17
Cummins Engine 3½pcLn. 44φ
Currys (25p) 74[illegible] (17/6). 6½pcPf. 42
Customagic Mnftcng. (10p) 12[illegible] (17/6)
Cuthbert (R. G.) (10p) 30φ
Danks Gowerton (25p) 36φ (19/6)
Davis (Godfrey) (25p) 34φ 5[illegible]. 6½pcPf. 39.
Davy Intnl. (25p) 101φ 10φ
Dawson Bartos (25p) 35φ (19/6)
Dawson Intnl (25p) 22φ [illegible] 20[illegible] 1[illegible]. 4.2pcPf 30
Dawson (James) Son (25p) 55 (16/6)
De La Rue (50p) 175φ. 3½pcPf. 18[illegible] 19φ (19/6)
De Vere Hotels Restaurants (25p) 89φ (19/6)
Debenhams (25p) 70φ 2φ 69[illegible] 70[illegible] 5 4 3. 6½pc2ndDb 44 (19/6). 7½pc2nd Db. 48[illegible] 6½pcLn. 44 (16/6). 7½pcUnsec. Ln. 45 (16/6)
Decca (25p) 196 A (25p) 194φ 16pc Pf. (25p) 25
Delta Metal (25p) 60[illegible] 2 1[illegible]. 4½pc 2ndPf 26[illegible] [illegible]. 10[illegible] 30[illegible] 7.5pcCnv Uns Ln. 67φ 54[illegible] 5[illegible]
Delyn (20p) 25
Deritend Stamping (50p) 115 (17/6)
Desoutter Bros. (Hldgs.) (25p) 101φ
Development Securities 230 (17/6). 7½pc Pf. 39φ [illegible] (19/6)
Dowhirst (I. J.) (Hldgs.) (10p) 53φ (19/6)
Diamond Stylus (10p) 13φ
Dickinson Robinson Grp. (25p) 112φ 14φ 13 15 14[illegible] 7½pcUns.Ln. 50[illegible] [illegible]
Dimplex Inds. (5p) 6
Diploma Investments (25p) 43φ
Dixons Photo. (10p) 30 (17/6). A (10p) 29φ 9
Dobson Park Inds. (10p) 35[illegible] 6[illegible] 5
Dolan Packaging 8pcCnv.Uns.Ln. 67 (16/6)
Doland (George) 13
Dom Hldgs. (10p) 50φ
Doncaster (Daniel) Sons (25p) 45
Douglas (Robert M.) (Contractors) (25p) 49φ (19/6)
Dowding Mills (5p) 39 (17/6)
Dowgate General (25p) 4 (16/6)
Downing (G. H.) (50p) 113φ
Dowty (5p) 107φ 8φ 8. 7pcUns.Ln. 80
Drake Cubitt Hldgs. (25p) 10[illegible] 11
Dreamland Electrical Appliances (10p) 34 (17/6)
Dubilier (5p) 12φ
Dufay Bitumastic (10p) 30φ (19/6)
Dufay Titanine 44[illegible] 50 (19/6)
Dundee Crematorium 185 (17/6)
Dunhill (Alfred) (10p) 23φ 25 (17/6)
Dunlop Hldgs. (50p) 51[illegible] 2φ 1φ 2 4 2. 5½pcPf 31φ [illegible]. 6½pcDb. 48[illegible]. 6½pc Db. 49[illegible] (19/6). 8pcUns.Ln. 38φ
Duple International (5p) 3[illegible] (17/6)
Duport (25p) 45[illegible] 7φ 6[illegible] 7. New (25p) 11φ 7[illegible] 2
Dutton-Forshaw (25p) 15φ (16/6). Uns.Ln. 65φ (19/6)
Dykes (J.) (Hldgs.) (25p) 29φ
Dyson (J. J.) (25p) 33 (17/6)

E—F

EMI (50p) 175φ 8φ 5[illegible] 4φ 9 8 81 80 77 8[illegible]. 5½pcPf. 37φ [illegible] (19/6). 5pc Uns Ln. 30[illegible]. 8½pcUns.Ln. 113φ 14φ [illegible] 14 12 15[illegible] 12[illegible]
E.R.F. (Hldgs.) (25p) 40 (17/6)
East Lancashire Paper (25p) 51φ
East Midland Allied Press. A (25p) 31[illegible] (16/6)
East Sussex Engineering (10p) 16φ (19/6)
Eastern Produce (Hldgs.) (50p) 28
Eastwood (J. B.) (5p) 45φ 8 7
Edwards (Louis C.) Sons (Manchester) (5p) 19 (17/6)
Elco Hldgs. 22[illegible] (19/6)
Electrical Industrial Securities (25p) 30φ 1φ 29[illegible] 30[illegible]
Electrocomponents (10p) 166
Electronic Machine (25p) 16[illegible] (16/6)
Electronic Rentals Grp. (10p) 45φ 60
Elliott (B.) (25p) 48φ 50[illegible] 49
Elliott Grp. (10p) 36
Ellis (Richmond) (5p) 12φ 11[illegible]
Ellis Goldstein (Hldgs.) (5p) 18[illegible] [illegible] (19/6)
Empire Stores (Bradford) (25p) 110φ 8
Enalon Plastics (25p) 36[illegible] [illegible]
Energy Services Electronics (10p) 4φ [illegible]
English Overseas Inv (10p) 3[illegible] (17/6)
English Card Clothing (25p) 38[illegible] (17/6)
English China Clays (25p) 81[illegible] 2[illegible] 9 7 [illegible] 60. 6½pcDb. 52[illegible]. 7pcLn. 42[illegible] (19/6)
English Electric 5½pcDb. 54[illegible] (16/6). 7pc Db. 51
Erith (25p) 69
Esperanza Trade Transport (12½p) 68 [illegible]
European Ferries (25p) 60[illegible] 2[illegible] 3[illegible] 3
Eva Ind. 6½pcDb. 44φ [illegible]
Ever Ready (Hldgs.) (25p) 74. New (25p) 30 2φ 7 8[illegible] 2 11 9pm
Evode Hldgs. (20p) 48 (17/6)
Ewer (George) (10p) 18φ (19/6)
Expanded Metal (25p) 66[illegible] (19/6)
FMC (25p) 76
Fairbairn Lawson (25p) 16[illegible] (19/6)
Fairclough (Leonard) (25p) 158φ. New (25p) 160φ (19/6)
Fairdale Textiles (5p) 25 (17/6). 5pcPf. 23[illegible]
Fairey (25p) 60
Farnell Electronics (20p) 68φ 8
Fashion and Gen. Invest. (5p) 60φ
Federated Chemical Hldgs. (25p) 57φ
Federated Land and Building (25p) 24
Feedex (10p) 42φ [illegible]
Fenner (J. H.) (Hldgs.) (25p) 115 14 13φ
Ferranti 25 3.50pc2ndPf. 17[illegible] 18[illegible] 3.85pc3rdPf. 20φ [illegible]
Fidelity Radio (10p) 37 (17/6)
Fine Art Developments (5p) 17φ
Finlay (James) (50p) 18φ 25 20 (16/6). 6pc Pf. 38φ
Finlay Packaging (5p) 16 [illegible]
First Finsbury Tst. (10p) 13 (17/6)
Fisons 391φ 8φ 400φ 10 8 397 400 5 1. 3½pcLn. 34[illegible]
Fitch Lovell (20p) 58φ 60
Flight Refuelling (Hldgs.) (25p) 17[illegible] (20/6)
Fluidrive Engineering (20p) 24φ (20/6)
Folkes (John) Hefo (5p) 1[illegible] (16/6). Non-V (5p) 16 (17/6)
Ford Intnl Capital 6pcLn. 58[illegible]
Fortnum and Mason 7pcPf. 40 (17/6)
Foseco Minsep (25p) 168φ 9 8
Foster (John) (25p) 25 (17/6)
Fothergill and Harvey (25p) 69
Francis (G. R.) (10p) 26φ
Francis Inds. (25p) 24φ (19/6). 9pcLn. 47φ
Francis Parker (10p) 11
Freemans (London SW9) (25p) 165 (17/6)
French Kier Hldgs. (25p) 7 (16/6). A (25p) 7[illegible]
Friedland Doggart Grp. (25p) 54 5 6

G—H

GEI Internl. (20p) 49φ (19/6). 10pcPts. Cnv Uns.Ln. 67 (17/6)
G.H.P. Grp. 100 (17/6)
GRA Property Tst. (10p) 26[illegible] 7φ 6[illegible]
GR (Hldgs.) (50p) 182φ [illegible] (19/6)
Gale Lister 10pcCnv.Uns.Ln. 36φ 5[illegible] (15/6)
Gallaher 6pcUns.Ln. 55
Gallenkamp (A.) (25p) 103φ
Galliford Brindley (5p) 20φ (19/6)
Garton Cooper (10p) 33 (16/6). 8½pc Cnv Gtd.Ln. 46 (16/6)
Gateway Secs. A Ord. (restd vtg.) (25p) 26φ
Gears Gross (10p) 43 (15/6)
General Electric Shs Com. ($US2.50) 33[illegible] (19/6)
General Electric (25p) 120φ 2φ 20φ 19φ 22 1 3 2[illegible] 4. 7½pcCnv.Uns.Ln. 51φ 7½pcCnv Uns.Ln. 117φ 1φ
General Electric Overseas Cap Cpn. 5½pc Stg. Dllr.Cnv.Gtd.Ln. 93φ
General Eng'g (Radcliffe) (10p) 10 (16/6)
Gestetner Hldgs. A (25p) 139φ 9φ A Ord. Capt. (25p) 151φ (19/6). 10pc Cnv.Uns.Ln. 126[illegible] 7
Gibbons Dudley (25p) 42[illegible] 30
Gill Duffus (25p) 124[illegible] [illegible]
Giltspur (10p) 36φ 6
Glaxo Hldgs. (50p) 350φ 48 4[illegible] 8φ 6 5 60 2 58 7 5 57 70 62 56 62[illegible] 4 59 61 6. New (50p) 155φ 55φ 56φ 8[illegible] 60 8 52 53. 7½pcCnv Uns.Ln. 95φ 7φ 8[illegible] 6 7[illegible]
Gleeson (M. J.) Contractors (10p) 18φ (19/6)
Gloucester Cheltenham Greyhounds (5p) 35 (17/6)
Glover Main 6½pcDb. 47φ (19/6)
Glynwed (25p) 84φ [illegible] 10½pcLn. 63 4 (17/6)
Goldberg (A.) Sons (25p) 37φ
Goldman (H.) Group (10p) 21 (17/6)
Goldrei (Ch.) Foucard (25p) 23 (17/6)
Goldring (10p) 12φ
Gomme Hldgs. (25p) 70
Gordon Johnson-Stephens New (10p pd.) (25p) 11φ
Gough Cooper (20p) 72φ
Graham Good Steel (20p) 25[illegible]
Grampian Hldgs. (25p) 46
Granada Group A (25p) 52φ 40 30 3
Grand Metropolitan (50p) 65[illegible] 7φ 6[illegible] 7 [illegible] 8 [illegible] 6[illegible] 6. Warrants to sub Ord. 27[illegible] 5pcPf. 29[illegible] (17/6). 9½pcLn. 78[illegible] (17/6). 8½pcLn. 73[illegible] (17/6). 10pcLn. 88φ 9[illegible] 90[illegible] 89
Grant Bros. (25p) 60 (17/6)
Grattan Warehouses (25p) 74φ 5φ 4 8
Great Universal Stores A (25p) 179φ 81φ [illegible] 4 1. 5½pcLn. 27. 8½pcLn. 51
Greatermans Stores A (R0.50) 375φ (19/6)
Greenbank Industrial (10p) 34φ (19/6)
Greenfield Milletts (10p) 24φ
Greening (N.) Sons (25p) 29[illegible] 9
Green's Economiser Group (25p) 63φ
Gross Cash Registers (20p) 43[illegible] (19/6)
Group Lotus Car (10p) 75φ
Guest Keen Nettlefolds 234φ 8φ 5 30 40φ 4 39 43 40 2 1 37. New 237[illegible] 40φ (19/6). 6½pcLn. 76φ 8
Guest Keen Nettlefolds (U.K.) 10½pcDb. 69[illegible]
Gunn (A.) (25p) 57φ
Haden Carrier (25p) 87[illegible]. 11pcLn 76 (17/6)
Haighton Dewhurst (20p) 10 (17/6)
Hall Earl (5p) 6[illegible] (19/6)
Hall (Matthew) (25p) 121φ 20 3
Hall Thermotank (25p) 57[illegible] 7 (16/6)
Hall (W. W.) (10p) 10 (16/6)
Halma (10p) 17[illegible]
Halstead (James) (Hldgs.) (10p) 7[illegible] (19/6)
Hanson Trust (25p) 146φ 7[illegible] 50
Hardy Furnishers (25p) 41φ. A (25p) 32 (17/6)
Hargreaves (20p) 35. 10½pcDb. 65
Harmo Industries (10p) 19 (16/6)
Harris Sheldon (25p) 40[illegible] (16/6)
Harrison (25p) 6φ
Harrisons Crosfield 8[illegible] [illegible] 6½pcPf. 38 (16/6)
Hartle Machinery International (25p) 28 [illegible] 9[illegible]
Hawker Siddeley 275φ 6 8. 7½pcDb 51φ (19/6)
Hawkins Tipson New Ord. (25p) 64[illegible] (19/6)
Hawkins Developments (5p) 4[illegible]
Hazlewoods (Ply.) (20p) 28φ
Headcrest Investments (20p) 3 (17/6)
Headlam Sims Coggins (5p) 17φ
Heal Hldgs. 14
Heenan Spark (10p) 4[illegible] (19/6)
Helene of London (10p) 9[illegible]
Henderson-Kenton (20p) 24 (16/6)
Henly's (20p) 41φ 1 40
Hepworth Ceramic (25p) 32[illegible] 2 [illegible]. 7½pc Ln. 92φ (19/6). 11pcLn. 92φ (19/6)
Hepworth (J.) 8 (10p) 43φ [illegible]
Herbert (A.) 6φ
Hestair 25p 49[illegible] 51φ 20 3φ. Do. New 24φ [illegible] 2 4. 7½pcLn. 73φ
Hewden-Stuart Plant (10p) 57φ 6
Hickson Welch (50p) 247φ (19/6)
Hield Bros. (5p) 14φ 13[illegible]
Higgs and Hill (25p) 34φ (19/6)
Highgate Jobs (50p) 90
Highgate Optical (20p) 21[illegible] (17/6)
Hill Smith (25p) 63 (17/6). Do New 59 (17/6)
Hill (C.) 67φ
Hillards (10p) 83 (17/6)
Hirst Mallinson (20p) 28[illegible] 8 (16/6)
Hoffnung (25p) 94φ 3φ (19/6). 12pcLn. 115 (17/6)
Hollas (5p) 29 (16/6)
Hollis Bros. (25p) 51 (16/6)
Holt Products (10p) 24 2[illegible] (19/6)
Hoover A (25p) 223φ 20 (19/6)
Hopkinsons (50p) 49φ 7
Horizon Midlands (5p) 28φ (19/6)
Houchin (25p) 27 (17/6)
House of Fraser (25p) 81φ 2φ 3[illegible] 2 3. 4½pcPf. 25. 5½pcPf. 32 (19/6). 8½pcLn. 49[illegible]
Hoveringham Group Rst. Vot. (25p) 13φ 14 14. 7pcPf. 36[illegible] (17/6)
Howard Machinery (25p) 75[illegible] 4[illegible]

NEW 'HIGHS' FOR 1975

The following securities (numbers in parentheses) among those quoted in the Share Information Service yesterday attained new "highs" for 1975. There were no new "lows."

NEW HIGHS (35)

BRITISH FUNDS (2)
Savings 3pc '65-75 — Electric 3pc '74-77

CORPORATION LOANS (2)
G.L.C. 7¼pc 1977 — Liv'pool 7pc 1976-77

AMERICANS (5)
Amax — First Chicago
Assd. Spring — Quaker Oats
Baker Oil Tools

CANADIANS (2)
Hudsons Bay Oil — White Pass

BANKS (1)
Anglo Continental

STORES (1)
Knott Mill

ENGINEERING (2)
Greening (N.) — Record Ridgway

FOODS (1)
Tavener Rutledge

INDUSTRIALS (5)
Chubb — Rennies Cons.
Dobson Park — Watsham's
Fertleman

MOTORS (1)
Turner Mfg.

NEWSPAPERS (1)
Marshall Cavendish

PROPERTY (3)
Argyle Secs. — Sorec
Estate & Agency

SHIPPING (1)
Mersey Docks

TEXTILES (1)
Toray

TRUSTS (1)
City & Gracechurch

MINES (6)
Anglo Am. Inv. — Geevor
Bishopsgate — Botswana
Lydenburg — Charterhall

RISES AND FALLS YESTERDAY

	Up	Down	Same
British Funds	14	—	39
Corpns., Dom. and Foreign Bonds	9	—	63
Industrials	378	294	1,176
Financial and Prop	151	58	405
Oils	6	7	19
Plantation	5	1	42
Mines	30	45	76
Recent Issues	16	6	32
Totals	609	311	1,852

JUNE 16

Abitibi Power and Paper 660
Australian Guarantee Cpn. 140
Bovis (S.E. Asia) 17½
Du Pont $US117
General Reinsurance $US185½
Homestake Mining $US51¼
Metal Ex. 34
Metramar Minerals 10½
Noranda Mines A £24½
Oakbridge Secs. 62
Royal Trust of Canada A £21⁹⁄₁₆
" Oil $US52¼
Tongaat Group 200

(By permission of the Stock Exchange Council)

ACTIVE STOCKS

YESTERDAY—

Stock	Denomination	No. of marks	Closing price (p)	Change on day	1975 high	1975 low
Glaxo 'New'	Nil/pd.	15	160*	− 3	192*	156*
Shell Transport	25p	9	319	+ 6	342	118
Beecham	25p	8	295	+ 2	310	116
BP	£1	8	532	+ 5	535	190
Charterhall Fin'ce	5p	8	39	+ 4½	39	17
ICI	£1	8	284	+ 4	302	118
Imperial Group	25p	8	62	+ 2	66½	32
Bowater	£1	7	170	+ 3	185	50
Bats	25p	7	323	+ 5	338	164
Distillers	50p	7	143	+ 7	149	65½
GKN	£1	7	245	+ 7	277	95
RTZ	25p	7	181	+ 4	211	80
Boots	25p	6	230	+ 3	276	91
Courtaulds	25p	6	128	+ 5	140	53
EMI	50p	6	183	+ 5	200	62

The above list of active stocks is based on the number of bargains recorded yesterday in the Official list and under Rule 163(1) (e) and reproduced to-day in Stock Exchange dealings.

ON THE WEEK—

Stock	Denomination	No. of marks	Closing price (p)	Change on week	1975 high	1975 low
ICI	£1	75	284	− 7	302	118
Glaxo 'New'	Nil/pd.	72	160*	−14	192*	156*
Shell Transport	25p	72	319	+ 4	342	118
BP	£1	63	532	+17	535	190
Bats	25p	54	323	− 9	338	164
Lonrho	25p	53	136	− 3	139	68
EMI	50p	50	183	+ 6	200	62
Grd. Metropolitan	50p	50	69	+ 4	69	19½
Boots	25p	49	230	− 9	276	91
Marks & Spencer	25p	49	218	− 9	236	95
Distillers	50p	47	143	+ 2½	149	65½
Unilever	25p	47	384	− 6	408	170
Barclays Bank	£1	45	303	− 7	325	112
Burmah Oil	£1	45	23	+ 1	100	27
Midland Bank	£1	44	273	− 7	305	122

* Premium.

Option Report—3-month Call rates

OPTION DEALING DATES

First Deal-ings	Last Deal-ings	Last Declara-tion	For Settle-ment
Jun. 10	Jun. 23	Sept. 4	Sept. 16
Jun. 24	July 7	Sept. 18	Sept. 30
July 8	July 21	Oct. 8	Oct. 14

"Calls" were dealt in Town and Commercial, EMI, Siebens Oil and Gas, Charterhall Finance, Dunlop, Grand Metropolitan warrants and Lonrho. "Puts" were done in GRA Property Trust and Charterhall Finance, while "doubles" were arranged in Burmah Oil, Fairey, Town and Commercial and Dunlop.

Industrials		Grand Met	9	Slater Walker	15		
		G.U.S. 'A'	20	Spillers	7	Mines	
A. P. Cement	20	Guardian	20	Tesco	6	Anglo Amer	50
Assoc Leisure	3	G.K.N.	28	Thorn 'A'	20	Broken Hill Pty	75
Barclays Bank	35	Hawker Sidd	30	Tube Invest	30	Charter Cons	22
Beecham	28	House of Fraser	10	Unilever	40	Chart'rh'll Fin.	8
Boots Drug	24	Hudson (Wllms	5	Utd. Drapers	12	Cons Gold	25
Bowaters	20	I.C.I.	24	Vickers	16	De Beers Def	25
B.A.T.	35	"Imps"	7	Woolworths	6	F. S. Geduld	350
British Leyland	1¼	I.C.L.	7			Great Boulder	12
British Oxygen	6	Inveresk	10	Property		Hampton Areas	15
Burton 'A'	9	Legal&General	17	Cap. Counties	7	Hampton Prop.	4
Cadburys	6	Lloyds Bank	30	E.P.	11	Kloof	140
Courtaulds	14	"Lots"	7	Int. Europe	7	Lonrho	19
Debenhams	11	"Mams"	9	Land Securities	22	Loraine	55
Distillers	15	Mark&Spncer	25	Peachey	7	Metals Explor.	8
Dunlop	6	Midland Bank	32	Town & City	6	Poseidon	55
Eagle Star	16	Nat'l West Bank	30	Town & Comm	7	Pres. Steyn	278
E.M.I.	20	P & O Dfd	16			Rio T. Zinc	20
First National	5	Plessey	10	Oils		Welkom	55
G.R.A. Trust	7	R.H.M.	7	Brit. Petroleum	45	West Areas	75
Gen. Accident	16	Rank Org. 'A'	25	Burmah Oil	6	Western M'ng.	15
Gen. Electric	14	Reed Int'l	28	Shell	30	Zambia Copp	10
Glaxo	40			Ultramar	21		

LOCAL AUTHORITY BOND TABLE

Authority (telephone number in parentheses)	Annual gross interest	Interest payable	Minimum sum	Life of bond
	%		£	Year
Barking (01-592 4500)	11½	½-year	1,000	2-5
Broxb'rne (Waltham X 27933)	12	½-year	1,000	3-5
Burnley (0282 25011)	12	½-year	1,000	3-5
Dudley (0384 211595)	12¼	½-year	1,000	3-4
Greenwich (01-583 8888)	12	½-year	500	3-5
Liverpool (051 227 3911)	12	½-year	500	3-4
Liverpool (051 227 3911)	12½	½-year	500	5-7
Reading (0734 55911)	12½	½-year	500	2
Redbridge (01-478 3020)	12¼	½-year	5,000	3-5
Sandwell (021 569 2226)	12	½-year	1,000	2-5
Sefton (051 922 4040)	12¼	½-year	2,000	3-5
Suffolk Coastal (039 43 3789)	11½	½-year	500	1-5
Thurrock (0375 5122)	11½	½-year	300	1-2
West Yorks. (0924 75234)	12	½-year	1,000	3-4
Wrekin (0952 3571)	12¼	½-year	2,000	3-5

JUNE 17 (Nil)

JUNE 16 (2)

Wade Potteries 6pcCum.Pf. 13½

RULE 163 (1) (e)

Bargains marked under Rule 163 (1) (e) in securities for which quotation has not been granted and which are not recorded in the *Official List.*

JUNE 20

BUILDING SOCIETY RATES

	Dep.	Share Accnts.	Sub'pn Shares	Variable Term Shares
Abbey National	6.75%	7.00%	8.25%	●8.00%
Alliance	6.75%	7.00%	8.25%	‡‡7.75%
Anglia	6.75%	7.00%	8.25%	‖7.75%
Birmingham Incorporated	6.75%	7.00%	8.25%	—
Bradford and Bingley	6.75%	7.00%	§8.25%	—
Bristol and West	6.75%	7.00%	8.00%	—
Bristol Economic	6.75%	7.00%	8.25%	†7.25%
Chelsea	6.75%	7.00%	9.00%	†7.25%
Cheltenham and Gloucester	6.75%	7.00%	—	‡7.75%
Cheshire and Northwich	6.75%	7.00%	8.25%	—
Citizens Regency	7.25%	7.25%	8.75%	—
City of London	7.00%	8.00%	8.50%	—
City and Metropolitan	6.75%	7.25%	7.50%	¶8.00%
Coventry Economic	6.75%	7.00%	8.75%	§§7.75%
Gateway	6.75%	7.00%	8.25%	¶7.75%
Greenwich	6.00%	7.10%	8.50%	—
Halifax	6.75%	7.00%	7.50%	¶8.00%
Hastings and Thanet	6.75%	7.00%	8.25%	—
Hearts of Oak and Enfield	6.75%	7.25%	8.50%	—
Hendon	7.00%	7.30%	—	*8.05%
Huddersfield and Bradford	6.75%	7.00%	8.50%	♡7.75%
Leamington Spa	6.87%	7.12%	9.50%	7.50%
Leeds and Holbeck	6.75%	7.00%	8.00%	—
Leeds Permanent ■	6.75%	*7.00%	8.25%	—
Leek Westbourne and ECBS	6.75%	7.00%	8.25%	¶¶7.75%
Leicester	6.75%	7.00%	8.25%	††7.75%
Liverpool	6.75%	7.00%	8.30%	*7.50%
Magnet	6.75%	7.00%	7.75%	♡7.75%
Mornington Permanent	6.45%	7.65%	—	—
National Counties ■	7.25%	7.75%	—	—
Nationwide	6.75%	7.00%	7.50%	♣8.25%
Newcastle Permanent	6.75%	**7.00%	7.75%	8.00%
Northern Rock	6.75%	7.00%	8.00%	‡7.75%
North London	7.75%	8.25%	—	♣9.15%
Norwich	6.75%	7.00%	8.25%	—
Paisley	7.25%	7.00%	8.00%	¶¶7.50%
Portman	6.75%	7.00%	8.50%	◇8.25%
Property Owners	6.75%	7.50%	8.50%	†7.85%
Provincial	6.75%	7.00%	8.25%	7.75%
Skipton	6.75%	7.00%	8.25%	—
Steyning and Sussex	7.25%	7.50%	9.00%	—
Sussex Mutual	6.25%	♠7.30%	—	—
Woolwich Equitable	6.75%	7.00%	8.25%	¶7.75%

■ *Rates effective as from July 1, 1975.*

* Minimum £2,000 6 mths. notice. † 3 mths. ‡ 3 yrs. § 3 yrs. including bonus. ¶ Min. £500 2 yrs. fixed. ‖ 4th issue 2 yrs. ● 2 yrs. over £5,250. ** 7.50% over £5,000. †† 2-3 yrs. ‡‡ 2 yrs. §§ 7.50% 3 mths. notice after 9 mths. ¶¶ 2 yrs. £1,000 min. ‖‖ 2 yrs. £2,000 min. ◇ 2 yrs. £3,000 min. ♡ Min. £100 2 yrs. fixed. ♤ Existing accounts. ♣ 3 yrs. over £5,000. ♠ 7.80% over £5,000.

U.K. CONVERTIBLE STOCKS 20/6/75

Statistics provided by *data STREAM International*

Name and description	Size (£m.)	Current price	Terms*	Conversion dates	Flat yield	Red. yield	Premium† Current	Premium† Range‡	Income Equ.§	Income Conv.¶	Income Diff.♡	Cheap(+) Dear(−)◇ Current
Acrow Engineers 8pc P. Cv. 92-02	7.38	50.00	●	77-87	15.9	16.1	74.8	73 to 120	16.6	44.7	98.6	+23.8
Alcan Aluminium 9pc Cv. 89-94	12.00	70.00	100.0	76-80	12.8	13.3						
Associated Paper 9½pc Cv. 85-90	1.40	73.00	200.0	76-85	13.8	14.7	46.0	9 to 56	42.6	52.5	19.7	−26.3
Bank of Ireland 10pc Cv. 91-96	10.25	126.00	23.8	77-90	8.1	7.4	20.3	17 to 41	45.2	62.5	16.5	− 3.8
BPB 7¾pc Cv. 89-94	5.00	70.00	62.0	72-80	11.4	12.0	25.4	12 to 35	22.6	27.8	9.3	−16.1
English Property 6½pc Cv. 98-03	19.98	167.00	234.0	76-80	3.9	2.7	−6.1	−14 to −2	32.7	23.3	−5.3	+ 0.8
Grand Metropolitan 10pc Cv. 91-96	121.90	89.50	120.2	73-78	11.5	11.6	10.3	6 to 22	15.1	21.0	7.2	− 3.1
Hanson Trust 6½pc Cv. 88-93	4.51	92.50	57.1	76-86	7.1	7.4	10.5	5 to 28	32.5	35.7	3.8	− 6.7
Lyons, J. 7¾pc Cv. 1981	3.60	76.00	22.7	75-81	9.8	13.5	90.0	90 to 166	13.7	29.4	39.4	−50.6
Mercantile Credit 9pc Cv. 1980	12.68	76.00	138.0	78-80	12.3	18.8	150.3	82 to 169	0.0	30.2	99.5	−50.8
Scottish Automobile 10pc Cv. 85-90	2.00	55.00	166.0	75-85	18.4	19.3	18.3	− 5 to 38	41.9	51.2	19.9	+ 1.6
Tozer, Kemsley 8pc Cv. 1981	7.33	87.00	153.8	74-79	9.3	11.1	34.7	23 to 60	15.7	24.1	13.0	−21.7
Wilkinson Match 10pc Cv. 83-98	11.10	85.00	40.0	76-83	11.7	11.9	54.0	41 to 102	25.8	46.3	37.1	−16.9

● 22 Ordinary "A" shares (non-voting) plus £30 unsecured loan stock for each £100 stock.
* Number of Ordinary shares into which £100 nominal of convertible stock is convertible. † The extra cost of investment in convertible expressed as per cent. of the cost of the equity in the convertible stock. ‡ Three-month range. § Income on number of Ordinary shares into which £100 nominal of convertible stock is convertible. This income, expressed in pence, is summed from present time until income on Ordinary shares is greater than income on £100 nominal of convertible or the final conversion date, whichever is earlier. Income is assumed to grow at 5 per cent. per annum and is present valued at 15 per cent. per annum. ¶ Income on £100 of convertible. Income is summed until conversion and present valued at 15 per cent. per annum. ♡ This is income of the convertible less income of the underlying equity expressed as per cent. of the value of the underlying equity. ◇ The difference between the premium and income Difference expressed as per cent. of the value of underlying equity. + is an indication of relative cheapness. − is an indication of relative dearness.

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FRIDAY, JUNE 20, 1975

Inflation and unemployment

THE RISE in unemployment goes steadily on. The seasonally-adjusted increase in the month to early-June amounted to 47,000, slightly less than in the previous month but well above the average increase over the preceding quarter. It is noteworthy that nearly one-third of this increase in unemployment during May/June has taken place in the South East, a region in which the proportionate level of unemployment is usually low and still amounts to only 2.6 per cent. of the registered labour force against 3.8 per cent. for Great Britain as a whole. *While the level of* unemployment has continued to rise, moreover, the number of registered but unfilled vacancies has continued to drop.

This trend is in no way unexpected. It was forecast by the Chancellor in his Budget statement and is moving upwards rather more slowly than might have been supposed. The only feature of the situation which is unusual by past standards is that the Government is not *actively intervening to counter* the trend by stimulating demand. It is not doing so because this would tend to aggravate a rate of inflation which is already alarmingly high and to reverse the progress that has been made in improving the balance of payments.

Bank attitude

Two reflections on the present state of the labour market were published yesterday with the unemployment figures. The first was contained in the Bank of England's quarterly *Bulletin*, which includes an *unusually frank appraisal of the* current economic situation. It gives various reasons, which hardly need to be repeated, for believing that inflation in this country has reached a critical stage and that getting it under control is now the most urgent task of economic policy. There are *some reasons, it suggests*, for hoping that the pace of inflation can be slowed down in the autumn, but this will also require a deceleration instead of the present acceleration in the rate of wage claims.

Other countries, the Bank points out, have already achieved greater success than Britain in slowing down price rises, usually by deflating demand. If the same methods were to be adopted here, it suggests, "*there can be no doubt that it* would involve much greater unemployment than now existing or probable, and that this phase would have to be prolonged." As an alternative, it comes back to stricter wage restraint, either voluntary or Government-imposed. But even this carries the rider that the disadvantages would be so great as not to be worthwhile unless the expected decrease in the rate of inflation was considerable, and the Bank remains unambiguously firm on the need to relax the administration of price controls on industry and to make significant and continuing cuts—with the *help of cash ceilings or by similar* means—in the volume of public expenditure.

Expectations

The present outlook for acceptance of voluntary wage restraint is not promising and cuts in public expenditure are therefore the more necessary. The rise in unemployment may conceivably alter the attitude of trade union members, but it would be foolish to suppose that there is any fixed or predictable relation between the level of unemployment and the pace at which earnings rise. The more sophisticated version of this theory put forward by Professor Milton Friedman and published yesterday by the Institute of Economic Affairs *seeks to take into account* expectations about the future course of inflation and implies that there is more hope of curing inflation quickly by having a large amount of unemployment for a relatively short period of time, rather than a more moderate amount *for a longer time.*

But there can be no certainty about the precise amounts or lengths of time involved, nor about the point at which purely economic calculations are overtaken by political events. Professor Laidler, who adds a section to the IEA paper relating Professor Friedman's ideas to current U.K. experience, suggests that after our recent earthquake of expectations we might need to keep the unemployment rate at over 1m. for five years to reduce inflation to an annual rate of 5 per cent. by 1980. He, as most people will, regards that prospect as unacceptable. The sooner the climate of expectation is changed, however, the easier it will be to reach a *tolerable compromise.*

Another test of credibility

YESTERDAY'S meeting with the management of Norton Villiers Triumph provided the new Secretary of Industry, Mr. Eric Varley, with his first insight into what is perhaps the most awkward and embarrassing of the problems bequeathed to him by *his predecessor.* The troubles of NVT, the company created by the Conservative Government to rescue the British motor cycle industry, *have reached a point where a* choice has to be made between two unpleasant alternatives. One is to plough even more taxpayers' money into the business, on top of the large sums that have already been spent or promised, in the hope that the three-factory operation (NVT's two plants plus the Meriden co-operative) can eventually be made viable. The other is to contract and even to close down parts of the business, leading inevitably to an explosion of anger from whichever factory is affected.

The whole affair is a classic study in how Government *intervention can go wrong.* In 1973 the Conservative Government used the machinery of their Industry Act to effect an IRC-type merger between the Norton Villiers motor-cycle interests of Manganese Bronze and those of the bankrupt BSA: the hope was that, with the aid of £4.8m. of public money, the Manganese Bronze management could make a success of the merger company.

The first setback was the refusal of the Meriden workers to accept the management's decision to close down their plant: after a hiatus of more than a year the Meriden co-operative was formed, with £4.9m. of public money, to manufacture Triumph machines under contract for NVT. The management of NVT consistently argued that, if it was forced to operate with three factories instead of two, it would need another £15m. of Government support; after inflation the figure may now be twice as high. Whether these amounts are needed or not, it is undeniable that the long delay over Meriden inflicted *serious damage on NVT. Now,* with the collapse of the U.S. market which had absorbed the bulk of production, the future of the company must be in doubt.

The trade unions have been pressing for full public ownership and Mr. Denis Poore, chairman of NVT, said earlier this week that he saw no alternative to nationalisation. In a sense this is logical. Having decided, first, to prop up the motor-cycle industry on national-interest grounds and then to support, on social and political grounds, the formation of a co-operative within the industry, the Government may feel itself under an obligation to see the job through to the end—at whatever cost to the taxpayer. But there is an alter*native. It is to recognise that* this particular experiment in intervention has failed and that the taxpayer's commitment should go no further.

It is right that every effort should be made to establish a viable motor-cycle business within the limits set by the Government funds which have already been made available—and whatever can be raised from commercial sources. This will inevitably mean slimming down the operation and reducing employment. But in the present economic climate there must be a limit to the amounts of money the Government can spend on preserving existing jobs. *The NVT affair is no* doubt small beer compared to the issues raised by the railway dispute, but it, too, is a test of the Government's credibility.

Public expenditure: Can it be cut? If so, where and how? In the first of a series of articles examining the scope for cuts in government spending, *Anthony Harris* sets out the background

Candidates for a crash course in cash discipline

THAT public expenditure is out of control is perhaps the most often-repeated statement about our economic problems; it is certainly the one which attracts most attention in the City, which has to find the money to finance the enormous gap—more than a tenth of national income—between the Government's revenues and its planned expenditure. It is an open secret that Whitehall is now in the middle of its annual exercise of planning public expenditure, and is find*ing it painful. While decisions* are some way off, and details are hard to come by, there is no doubt about the purpose. "All the options," an official put it to me, "are negative."

At first sight, this is a familiar melodrama with a familiar theme that the *real burden of public spending* is more than the economy can carry, and the resulting strain is the cause of the present inflation. This is what we have been taught by many past Chancellors wielding previous axes, and the mind readily reverts to the familiar.

A second glance, however, reveals something wrong. For if there is one thing clear about our economy at present, it is that it is not working at the *limit of its physical resources.* Production is falling, unemployment—on a seasonally adjusted basis—is rising rapidly past its 1971-72 peak, and even the balance of payments is improving dramatically.

It seems clear, then, that it is not immediate pressure on resources which is causing the strain. The Bank of England Bulletin makes the point to-day indirectly: it is the planned future growth of public demand on resources, in a generally sluggish economy, which looks excessive (and is indeed the main subject of the review now going on in Whitehall). The more immediate worry is "to prevent unbudgeted increases in spending."

Separate meanings

The statement that public spending is out of control has four quite separate meanings. First, it can mean that the future growth of public demand is rising uncontrollably. This can result from any open-ended commitment — to stabilise nationalised industry prices regardless of costs, to protect employment in industries where demand may collapse, even to provide fixed standards of welfare benefits for an unknown number of claimants. The attack which the Chancellor has already announced on nationalised industry subsidies, and the phasing out of the rent freeze and food subsidies, are designed to reduce such risks, but cannot eliminate them.

The second meaning is that public sector *costs* are out of control; and since public expenditure has always been planned in real terms—miles of roads, numbers of school places, and more recently the real value of pensions and welfare payments—this can produce large unbudgeted increases in expenditure on programmes which are themselves unchanged. Indeed, if plans are made solely in real terms, there is not even the pretence of a control on costs.

Given aggressive wage-claims in the public sector—and equally generous pay awards to the possibly less militant white-collar public servants—there was in fact a very large rise last year in the relative costs of public services. While inflation raised both revenues and expen*ditures in Government, expendi*tures rose faster. The Chancellor and many commentators have therefore expressed a strong interest in replacing volume controls with cash ceilings on expenditure.

This is in some ways a promising approach, but it is not a new one. The University Grants Committee and the Regional Hospital Boards have long worked to cash budgets (though these do not cover medical and academic salaries); but such budgets have inevitably been subject to revision when costs rose, and so cost discipline has not been as *strict as the system would* imply. But it is still a discipline: when local authority capital building projects were transferred to a cash rather than a *project approval basis,* the very fast relative increase in construction contract prices stopped very suddenly—so suddenly that at least one major contractor *has* been driven rather suddenly into the arms of the Department of Industry for support.

What a cash discipline does, is to enforce clear choices on the Government. What is an acceptable cost—in terms of lower standards or bankruptcies or strikes—of a real effort to check the rise in costs? That is the central dilemma in every effort to check inflation. It must be remembered, however, that such disciplines are much easier to apply to capital projects than to continuing activities—on £8.8bn. of a £42bn. total in 1974/75.

Policies ignored

The third intepretation of "*out of control*" *lies in the* widespread belief (which appears to be shared in the Bank of England) that official policies *are simply ignored by those re*sponsible for carrying them out. This belief is certainly encouraged by the enormous difference, year after year, between the expenditure announced for the coming year in a White Paper, and the outturn estimated in the White Paper for the following year—not to mention the further increases between those mid-year estimates and the final true figures. A favourite example is the year just ended. This was *to bear the main* brunt of the spending cuts announced by Mr. Barber in December 1973, and the total should have been £1.3bn. less than the figure previously planned. In the outturn, the cut turned into a £2.8bn. increase in volume terms. This looks out of control, so it is interesting to see what *actually happened.*

The Barber cuts were slightly modified by subsequent decisions of the Heath government, leaving cuts of £1.2bn. Then came *the first* Labour Budget of March 1974, which raised spending by just under £1bn.—*half for food subsidies,* the rest for higher pensions, rent subsidies and municipalisation. Later policy changes introduced by spending ministers—mainly helping industry and farmers—increased the total by another £830m., so that in the end policy changes accounted *for a rise of £600m. instead of* a cut of £1.3bn.

Unbudgeted changes did the big damage: £1bn. on housing (at that stage an open-ended muncipalisation programme and a rapid growth in rate support and rent subsidies), £400m. for trade and industry, and a rise of £500m. above the estimated cost of debt service (higher interest rates for the planned as well as the unplanned borrowing). In real terms, a swing of more than £4bn. between one year's estimates and the outturn, and a rise of £5.3bn., or more than 14 per cent., between the Barber cuts and the end of the year was mainly the result of planned policy changes (£1.8bn.), open-ended commitments and rising interest rates. Ministers rather than executants were out of control.

The story so far suggests that if Ministers are really being brought to heel in the present review, and some extension of cash disciplines (combined with rising unemployment) keeps relative costs in line, the situation will improve dramatically. However, there are two large reservations to be made. First, a great weight of the volume of public expenditure remains in programmes which cannot be changed without fundamental policy decisions—about the school-leaving age, or the real value of pensions, for example. Second, to control *expenditure* does not necessarily control the *deficit* which so burdens and alarms the financial markets: falling revenue due to recession, *or the perverse effects of infla*tion, might swamp the best disciplines.

The main table outlines the volume problem. By far the biggest single items are social security, one seventh of the total, education (a tenth of the total, when grants are included), health and defence. The first three are to a large extent functions of the size, age and health of the population, and significant cuts might be very painful. *Defence policy* is a matter of acute controversy (and now, incidentally, promises a large spin-off in exports).

A very heavy part of the burden of any real cuts *will* inevitably fall on capital expenditure; but even if all capital expenditure — apart from the industrial investment of the nationalised industries — were stopped altogether, a large public sector deficit would remain. The Government has a *current* deficit of £2.1bn. in the last Budget statement.

Economic benefit

Inflation and recession can both enlarge the underlying deficit, through relative costs and falling revenues. This is the *fourth sense of "out of control."* The extent to which inflation now imposes "negative fiscal drag" on the whole financial system—that is, raises public expenditure faster than revenue—is unknown. The more alarming estimates made in the City are waved aside in Whitehall, but no one seems to pretend that there is any positive contribution left from a progressive tax system, which in more normal times tended to close the gap when inflation accelerated. At best the system is about neutral to inflation, and the deficit grows at about the same rate as other money sums. Recession certainly widens the gap — and so far as cuts in spending deepen the recession and create further unemployment, they reduce revenue as well as expenditure. As much as a third of any cut may be self-cancelling in this way.

Three conclusions suggest themselves. First, tighter con*trol of costs* will be far more beneficial than cuts in the public demand on resources at this point in the cycle: indeed, some claims—for productive investment and industrial retraining, for example, can be allowed to rise where there is a clear economic benefit to be gained, and the finance is manageable. Second, the deficit is so large in proportion to spending that if it is to be reduced sharply, higher taxes or charges will *certainly* play a part. Third, the judgment of how much it is wise to borrow remains largely a financial one.

It is in fact the financial markets rather than the real economy which are now under dangerous strain. At the best of times, the market in Government debt is perverse: buyers are most eager when Government finances are in least need of support. (Companies suffer the same problem.) Even spending which involves no use of resources (and is therefore left out of White Papers) such as issuing Government stock on nationalisations strains the financial markets as much as other official borrowing.

Since in a depressed economy companies and private people cut their spending and *pile up* money, the funds are there for the Government to borrow (the improving balance of payments underlines this truth); but for the control of the money supply to-day, and the control of demand and inflation in future years, the only safe borrowing the Government can do is *long-term* borrowing. What is abundantly clear at the moment is that although the gilts market remains one in which the Government can sell stock, it is becoming increasingly nervous and sullen; and that effective action to reduce the *Government's deficit, even quite* modestly, will make it a great deal easier to fund the rest, as is appropriate in a recession. It is here, in the gilts market, that judgment on Mr. Healey's measures will finally be delivered.

WHERE THE PUBLIC MONEY GOES

	Public Expenditure on Goods and Services Investment and Consumption		Public Transfer Payments Grants, Subsidies, Loans, Interest	
	1974-75 £m.	1978-79 £m.	1974-75 £m.	1978-79 £m.
Defence and external relations:				
1. Defence	3,520	3,805	18	22
2. Overseas services	171	174	594	690
Commerce and industry:				
3. Agriculture, fisheries and forestry	100	116	1,175	598
4. Trade, industry and employment	436	389	1,972	971
Nationalised industries:				
5. Nationalised industries' capital expenditure	2,075	2,499	37	—1
Environmental services:				
6. Roads and transport	1,236	1,299	491	515
7. Housing	1,712	1,481	1,904	2,196
8. Other environmental services	1,384	1,570	37	41
9. Law, order and protective services	1,040	1,202	15	19
Social services:				
10. Education, libraries, science and arts	3,564	5,907	943	1,068
11. Health and personal social services	3,829	4,258	31	38
12. Social security	275	272	6,568	7,658
Other services:				
13. Other public services	476	470	28	21
14. Common services	494	636	—	—
15. Northern Ireland	535	593	484	440
Total	20,647	22,671	14,317	14,296
Debt interest			3,800	3,400
Source: Jan. '75 Public Expenditure White Paper. All figs. at 1974 survey prices.			18,117	17,696

WHAT HAPPENED TO 1974/5 EXPENDITURE

(Changes between 1974 and 1975 White Papers: £m., at 1974 Survey prices)

POLICY CHANGES	
Barber cuts	—1,363
Other Heath changes	+168
March 1974:—	
Pension and subsidies	+831
Municipalisation	+240
Defence, Maplin, etc.	—64
Later changes (mainly farming & industry)	+830
TOTAL POLICY CHANGES	+600
Debt interest	+507
Housing (rent freeze, etc.)	+1,003
Trade and industry	+421
All other	+266
TOTAL CHANGES	+2,197

MEN AND MATTERS

Brushing off the Lobby

When Prime Ministers start talking about open government it is time to get suspicious. That is the cynical line to take about the ending by the PM's Press Secretary of his daily briefings to the Lobby, and, since this is *a journalistic matter, you may* rest assured that this is the line most of the scribes concerned will take.

The Lobby system means that newspaper editors can apply to name one correspondent, with alternates, to be allowed access by the Sergeant at Arms to the Members' Lobby immediately by the Commons' chamber; also to Annie's Bar. The point of the arrangement is that the journalists concerned are trusted to stick to the ground rules of relaying information as on or off the record, attributable or unattributable. This gives rise to all those "sources close *to,*" "spokesmen" *and* "it is thought that" phrases. They may look silly, but the defenders of the system argue that it has its uses.

It is also open to much abuse and, from the letter Mr. Wilson's Press Secretary Joe Haines sent to announce the cancelling of daily off-the-record talks, No. *10 clearly feels it is the journal*ists who have been abusing it lately. Relations with the Prime Minister have been getting frostier for years—as a body the *Lobby has not seen him at all* since re-elected in February last year—and the final irritation, though Haines does not specify it, must have been Tory Whips recently *finding out, within an* hour, about some Lobby guidance concerning a steel debate.

Haines, whose £12,000 a year job gives him command of another six information officers, has mirrored Mr. Wilson's feeling that the Lobby was not getting the Government's line across. Though personally helpful, his answers in briefing sessions have been progressively less use. Even so, his argument that government has become too complicated for the single spokesman channel, and that journalists should go direct to the individual ministries, will appeal to many who have sat through lobby briefings.

"You can quote me on that!"

What Lobby men laughed about yesterday was the Haines lecture, contained in his letter, that anyway "*no journalist* should rely on a single source for his information," since they claimed no one had printed a Haines story, unchecked, for *years. And Haines himself,* when in the Lobby for the old Daily Herald, had been a persistent, witty and sarcastic doubter of Mr. Wilson's previous Press Secretary.

Un-stable lads

To say that "les lads" have won in a canter would be an overstatement, but the grievances of the stable lads who brought French racing to a standstill have been met after a surprisingly rapid cave-in on the part of the trainers. A 15-hour negotiation ended yesterday with all their demands met, including the re-instatement of the five ringleaders of the invasion of Chantilly racecourse which provoked the walk out. In five days the French lads had managed more disruption than their British equivalents have in two months.

I'm not sure what this proves. But the French did win the Ascot Gold Cup yesterday as well.

APEX v ASTMS

In the main, trade unions make "very good" employers when it comes to pay and conditions, declares the Association of Pro*fessional, Executive, Clerical* and Computer Staff (APEX), the one to which most union employees, and also Labour and Liberal party workers belong.

The peace is disturbed by the occasional rumpus, though there has been quiet on the pay front now since late last year when APEX members were among those striking at the South London headquarters of the Engineering Workers. At one stage Hugh Scanlon asked for police help to allow non-striking staff to cross picket lines. APEX says that about the same time there was a much less publicised dispute with Dan McGarvey's Boilermakers' Union in the North East.

The latest problem is intriguing if only for the very secretive way *both sides* are handling it. With the wicked employers represented this time by that most publicity conscious union, Clive Jenkins's ASTMS, this has its funny side.

The facts seem to be that 90 APEX members employed at the ASTMS headquarters in *London stopped work for a day* earlier this week to protest against the alleged "victimisation" of a woman committee clerk. She had been formally warned for being absent from her office when, APEX claims, she was in fact there and working. Work has been resumed while the two unions started talks, but the disagreement continues because ASTMS apparently refuses to officially rescind the warning which has been entered in the woman's record.

The grievance procedure has been exhausted, and APEX is now writing to Jenkins asking him to act. Meanwhile work is continuing as usual.

One trusts the settlement will be a model, even if unpublicised one, *leaving* APEX free to contend with more obvious problems like its recruitment gap among the Conservative party workers. "We haven't broken *through there yet but I don't see why we shouldn't,*" is the official line.

Comeback

A tribe of aborigines beat powdered boomerang into emu eggs to test its rumoured power as an aphrodisiac. They got a foul-tasting giant omelette they couldn't throw away.

Observer

AUTHORISED UNIT TRUSTS

				Yield %
(a) (g) Abacus Arbuthnot Ltd.				
53, Fountain St., M/C. 061/236 9775/3				
♥Giants	31.0	32.6	+0.2	4.30
Giants Accum.	32.6	34.5	+0.2	4.30
♥Growth Units	28.2	30.0	+0.2	4.30
Growth Accum.	29.8	31.6	+0.2	4.30
♥Income Units	28.6	30.8	+0.2	8.20
Income Acc. Uts	31.6	33.8	+0.2	8.20
Eastern& Intl.Acc	19.5	20.5	.....	3.70
(a) (g) Abbey Unit Tst. Mgrs. Ltd.				
72-80, Gatehouse Rd., Aylesbury 0296 5941				
♥Abbey Capital	20.5	21.8	+0.2	4.27

				Yield %
Canada Life Unit Tst. Mngrs. Ltd.				
2-6, High St., Potters Bar, Herts., Potters Bar 51122				
♥Canlife Gen. Dist	26.6	28.0	+0.3	4.41
♥Do. Gen. Accum.	29.4	31.0	+0.4	4.41
♥Do. Inc. Dist.	24.0	25.2	+0.3	8.67
♥Do. Inc. Accum.	26.7	28.1	+0.4	8.67
(a) (c) Carliol Unit Fd. Mgrs. Ltd.				
Milburn Hse., Newcastle-upon-Tyne. 21165				
♥Carliol	57.4	59.9	.....	5.46
♥Do. Accum Units	63.0	65.5	.....	5.46

				Yield %
(a) (g) Henderson Administration				
11, Austin Friars, EC2N 2ED. 01-588 3622				
♥Cabot June 18	61.6	65.5	.....	5.00
*Grom May 29	99.5	104.8	.....	2.83
Premier U.T. Admin., 5 Rayleigh Road, Brentwood, Essex. 0277 227300.				
♥(g)Australian	36.0	38.5	−0.2	3.60
♥(g)Capital Accum	25.9	27.6	+0.3	4.01
♥(g)European	33.4	35.7	−0.2	3.23
♥(g)Far East	39.2	41.9	+0.1	1.97
♥(g)Fin'cial & ITU	24.1	25.7	+0.2	3.70
♥(g)High Income	29.5	31.5	−0.5	11.69
♥(g)Income& Ass.	20.7	22.8	+0.2	6.74

				Yield %
(z) Lloyd's Bk. Un. Tst. Mgrs. Ltd.				
Registrar's Dept., The Causeway, Goring by Sea, Worthing, Sussex 01-623 1288				
♥L.B. First Inc.	35.3	37.9	+0.4	4.95
♥Do. (Accum.)	43.9	47.2	+0.7	4.96
♥L.B. Second Inc.	39.1	42.0	+0.4	3.79
♥Do. (Accum.)	45.6	49.0	+0.6	3.79
♥L.B. Third Inc.	57.6	61.9	+0.6	7.01
♥Do. (Accum.)	68.7	73.8	+0.7	7.01
Lloyd's Life Unit Tst. Mngrs. Ltd.				
72-80, Gatehouse Rd., Aylesbury 0296 5941				
Equity Inc.	95.4	100.4	.....	5.20
Do. (Accum.)	97.0	102.1	.....	5.20

REGIONAL MARKETS

INSURANCE, PROPERTY, BONDS

OFFSHORE AND OVERSEAS FUNDS

OVER 13%

(Current estimated annual gross yield)

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LAWSON HIGH YIELD FUND meets the considerable demand for an above average income, paid quarterly.

The preference shares provide both stability and an ultra high initial income while the equity and income share portion (currently 62% of the fund) offers good income growth prospects.

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It is best to regard the fund as a long term investment and you should remember that the price of units and the income from them can go down as well as up.

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2. Investment Trust Income Shares
3. Preference Shares

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Tel: 031-226 3911 (Not available to residents of the Republic of Ireland)

I/We enclose a remittance payable to Lawson Securities Ltd to be invested in Lawson High Yield Fund units to the value of £

(Min holding £100, units will be allocated to the nearest whole number)

If you would rather have accumulation units place 'X' in box

Share Exchange mark box for details

I We declare that I am / we are not resident outside the scheduled territories and I am / we are not acquiring the units as the nominee(s) of any person(s) resident outside those territories. (Those unable to make this declaration should apply through their Bank, Stockbroker or Solicitor in the UK).

signature 1 signature 2

(In case of joint applicants all must sign and attach full names and addresses).

Names in full (Mr/Mrs/Miss)

Address

HY38FT213

FT SHARE INFORMATION SERVICE

**BRITISH FUNDS

"Shorts" (Lives up to Five Years)

1975 High	Low	Stock	£	+ or −	Yield Int.	Red.
99	90¼	Savings 3pc '65-75	99	+	3.03	9.27
99⅝	94	Exch. 6½pc 1976	96⅛	......	6.62	9.27
97¼	92	Treasury 6½pc 1976	97	......	6.70	9.31
99	97	Victory 4pc 1976	99	......	4.08	—
102	96⅞	Treasury 10½pc 1976	100	......	10.43	9.97
95	88⅞	Treasury 6¼pc 1977	94	......	6.60	9.64
92½	86¼	Electric 3pc '74-77	92½	+⅛	3.24	7.70
103	96⅞	Treasury 11½pc '77	102⅛	......	11.26	10.36
88	84	Treasury 3pc '77	87xd	+	3.44	9.03
89⅝	84⅛	Transport 4pc '72-77	88xd	+	4.51	9.28
96	90½	Treasury 9pc 1978	95	......	9.43	10.94
100	96⅝	Treasury 10½pc '78	98xd	......	10.62	10.97
87⅞	79	Exchequer 5pc '76-78	85	+	5.83	10.22
103	94	Treasury 11½pc '79	100	......	11.40	11.19
79⅝	71⅛	Treasury 3pc '79	78	+	3.83	9.33
81	73⅞	Electric 4¼pc '74-79	79	+	5.32	10.15
100	96	Treasury 10½% '79	97⅞	+	10.73	11.18
79⅝	71	Electric 3½pc '76-79	78	+	4.47	9.66
95	84	Treasury 9pc 1980	93	+	9.67	10.90
95	95	Treasury 9½pc '80	95	+	9.99	10.83
79	68¼	Treasury 3½pc '77-80	76⅛	+¼	4.60	9.65
84½	71	Funding 5¼pc '78-80	80¾xd	+⅛	6.53	10.40

Five to Fifteen Years

1975 High	Low	Stock	£	+ or −	Yield Int.	Red.
75½	66⅛	Treasury 3½pc '79-81	74⅛	+⅛	4.80	9.86
91⅛	72⅞	Do 8½pc '80-82	85¼xd	......	9.91	11.66
104⅛	86⅝	Treasury 12pc 1983	102⅛	......	12.13	12.20
78	58	Funding 5½pc '82-84	70¾xd	......	7.74	10.75
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Over Fifteen Years

[illegible]

Undated

[illegible]

**INTERNATIONAL BANK

[illegible]

**CORPORATION LOANS

[illegible]

COMMONWEALTH & AFRICAN LOANS

[illegible]

LOANS (Miscel.)

[illegible]

FOREIGN BONDS & RAILS

[illegible]

U.S. $ DM Prices exclude inv. $ premium

AMERICANS

[illegible]

S.E. List Premium 70½% (based on $2.2710 per £)

CANADIANS

[illegible]

S.E. List Premium 70½% (based on $2.2305 per £)

Conversion factor 0.5880 (0.5870)

††BANKS AND HIRE PURCHASE

[illegible]

Hire Purchase, etc.

[illegible]

BEERS, WINES AND SPIRITS

[illegible]

BUILDING INDUSTRY, TIMBER & ROADS

[illegible]

BUILDING INDUSTRY—Continued

[illegible]

CHEMICALS, PLASTICS

[illegible]

CINEMAS, THEATRES AND TV

[illegible]

DRAPERY AND STORES

[illegible]

DRAPERY AND STORES—Continued

[illegible]

ELECTRICAL AND RADIO

[illegible]

ENGINEERING, MACHINE TOOLS

[illegible]

ENGINEERING—Cont.

[illegible]

FOOD, GROCERIES, ETC.

[illegible]

HOTELS & CATERERS

[illegible]

HOTELS—Continued

[illegible]

INDUSTRIALS (Miscel.)

[illegible]

MINES

CENTRAL RAND

1975 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
£14¼	780	Durban Deep R1	960	−40	‡Q110c	ϕ	‡
£14	860	E.Rand Prp. R1	£10½	−½	‡Q115c	ϕ	‡
105	55	Rand Leases 2½c	63	−2	—	—	—
£34½	£22	Rand'In Est. R2	£29½	.....	—	—	—
500	260	West Rand R1	320xd	−20	‡Q40c	1.3	‡

EASTERN RAND

1975 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
370	235	Bracken R1	275	−5	†Q51c	1.1	12.0
23	13	Daggafontein 50c	15	.....	—	—	—
105	60	East Dag R1	67	+2	‡Q25c	ϕ	‡
140	140	Gvnt. Areas 5c	140#	.....	—	—	—
380	210	Grootvlei 30c	280	−10	‡Q52c	1.1	‡
820	410	Kinross R1	670	−15	†Q50c	1.5	4.8
198	107	Leslie 80c	140	.....	†Q22c	1.6	10.1
550	325	Marievale 70c	430	−20	‡Q84c	1.1	‡
725	380	S. African Ld. 35c	545	−25	‡Q85c	1.2	‡
265	175	Vlakfontein R1	200	.....	Q30c	ϕ	9.9
£13¾	840	Winkelhaak R1	£11¾	−¼	†Q94c	1.2	2.8
120	65	Wit. Nigel 25c	86	−3	Q1c	10.9	0.8

FAR WEST RAND

1975 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
£11	680	Blyvoor 25	985	+5	Q100c	ϕ	6.7
£21½	£17	Buffels R1	£20½xd	.....	Q180c	ϕ	5.6
£14¼	920	Doornfontein R1	£12½	.....	Q110c	ϕ	5.8
£12¾	725	East Drie R1	£11¼	.....	Q65c	ϕ	3.8
£12½	725	Do. Comb Units	£11¼	.....	—	—	—
450	295	Elsburg R1	400	.....	†Q45½c	1.2	7.5
£31	£16	Hartebeest R1	£26	−½	Q215c	ϕ	5.4
£13¾	815	Kloof Gold R1	£11¼	.....	Q55c	ϕ	3.2
£17¼	875	Libanon R1	£13¼	.....	Q110c	ϕ	5.5
£15¾	960	Southvaal 50c	£11¾	.....	Q9c	ϕ	0.5
480	340	Stilfontein 50c	395xd	−5	‡Q65c	1.3	‡
£33¾	£21	Vaal Reefs 50c	£29¼	.....	‡Q220c	1.7	‡
£11½	650	Venterspost R1	£10	−⅛	Q70c	ϕ	3.0
£55	£34	W. Drie R1	£49¾	.....	Q485c	ϕ	6.3
745	450	W'st'rn Areas R1	635	.....	†Q70c	1.4	7.2
£23	£15	Western Deep R2	£21	+¼	‡Q160c	ϕ	4.9
520	295	Zandpan R1	470	.....	Q35½c	ϕ	5.0

O.F.S.

1975 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
400	290	Fr. State Dev. 50c	335	−5	†Q12c	1.8	2.3
£32½	£21	F.S.Geduld 50c	£29½	.....	†Q310c	1.1	7.0
960	550	Harmony 50c	800	−15	Q77c	ϕ	6.2
575	320	Loraine R1	390	−20	Q12c	6.7	2.0
£28¼	£19½	Pres. Brand 50c	£24	.....	†Q215c	1.3	6.0
£25¾	£14½	Pres. Steyn 50c	£18	.....	†Q135c	1.8	4.9
£39¾	£21½	St. Helena R1	£32½	−¼	†Q250c	1.2	4.7
340	210	Unisel	270	−5	—	—	—
525	370	Welkom 50c	430	−10	†Q55c	1.6	8.2
£40	£27¼	W.Holdings 50c	£36½	.....	†Q445c	1.1	7.9

COPPER

1975 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
98	56	Botswana RST R2	98	+20	—	—	—
390	196	Messina R0.50	335	−5	‡Q60c	2.9	‡

MISCELLANEOUS

1975 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
8	3	Burma Mine 17½p	8	.....	m0.5	—	1.7
61	17	Charterhall 5p	59	+4½	—	—	—
115	75	Colby Mines $1	75#	.....	—	—	—
760	360	Cons. Murch. 10c	740	+5	‡Q130c	2.2	‡
53½	29½	Laurasia	36½	+1	—	—	—
19	13	NRD $1	15	.....	—	—	—
375	200	Northgate C$1	275	+5	Q65c	1.0	10.2
211	80	R.T.Z.	161	+4	19.9	4.4	4.3
135	47½	Sabina Inds. C$1	89	+4	—	—	—
70	51	Stanford Mines $1	67	.....	—	—	—
£12½	875	Tara Expln. $1	£10⅝	+⅛	—	—	—
75	38	Yukon Cons C$1	58	+2	—	—	—

NOTES

Unless otherwise indicated, prices are in pence, denominations are 25p and dividends are in net percentage terms. Estimated price/earnings ratios and covers are based on latest annual reports and accounts and, where possible, are updated on half-yearly figures; they are adjusted to corporation tax of 52 per cent. and ACT of 35 per cent. P/Es are calculated on the basis of net distribution; bracketed figures indicate 10 per cent. or more difference if calculated on "nil" distribution. Covers are based on "maximum" distribution. Yields, assuming maintenance of net dividends on current rate of ACT, are based on middle prices, are gross and allow for value of declared distributions and rights. Securities with denominations other than sterling are quoted inclusive of the investment dollar premium.

- Δ Sterling denominated securities which include investment dollar premium.
- ● "Tap" Stock.
- * Highs and Lows marked thus have been adjusted to allow for rights issues for cash.
- † Interim since increased or resumed.
- ‡ Interim since reduced, passed or deferred.
- ‡‡ Tax-free to non-residents.
- ϕ Figures or report awaited.
- †† Banks and Insurance reserve allocations may preclude calculation of dividend cover.
- # Price at time of suspension.
- ¶ Indicated dividend after pending scrip and/or rights issue: cover relates to previous dividend or forecast.
- ** Free of Stamp Duty.
- ♦ Merger bid or reorganisation in progress.
- ϕ Not comparable.
- ϕ Same interim: reduced final and/or reduced earnings indicated.
- § Based on 1973 profits.
- ‡ Cover allows for conversion of shares not now ranking for dividends or ranking only for restricted dividend.
- ★ Cover does not allow for shares which may also rank for dividend at a future date. No P/E ratio usually provided.
- ♥ Excluding a final dividend declaration.
- ✦ Regional price.
- ‖ No par value.

a Tax free. b Figures based on prospectus or other official estimate. c Cents. d Dividend rate paid or payable on part of capital; cover based on dividend on full capital. e Redemption yield. f Flat yield. g Assumed dividend and yield. h Assumed dividend and yield after scrip issue. j Payment from capital sources. k Kenya. m Interim higher than previous total. q Earnings based on preliminary figures. r Australian currency. s Dividend and yield exclude a special payment. t Indicated dividend: cover relates to previous dividend, P/E ratio based on latest annual earnings. u Forecast dividend: cover based on previous year's earnings. v Tax free up to 30p in the £. w Yield allows for currency clause. y Dividend and yield based on merger terms. z Dividend and yield include a special payment. Cover does not apply to special payment. A Net dividend and yield. B Preference dividend passed or deferred. C Canadian. E Issue price. G Assumed dividend and yield after pending scrip and/or rights issue. H Figures based on prospectus or other official estimates for 1973-74. Q Gross. T Figures assumed. U No significant Corporation Tax payable. Z Dividend total to date.

Abbreviations: xd ex dividend; xc ex scrip issue; xr ex rights; xa ex all; xd ex capital distribution.

"Recent Issues" and "Rights" Page 15

FINANCIAL TIMES

Saturday June 21 1975

MAN OF THE WEEK

Newleader with a new style

BY JOHN ELLIOTT

If you want to be loved by your fellow men, especially if you live in London's commuter belt, the last thing to be is the leader of a railway union. This is a lesson which has been learned in the past few days by Sidney Weighell, 52-year-old general secretary of the National Union of Railwaymen, whose anonymity as just an ordinary daily commuter on a late morning rush hour train from Bishops Stortford to Liverpool Street has been blown during the past few days of increasing personal publicity.

But Weighell, a bouncy, short self-confident Yorkshireman whose autocratic style has brought him several critics among his own colleagues and others, is no shirker of personal publicity.

Pleasure

Born into a railway family, Weighell has long wanted to be the general secretary and has made no attempt to hide the confident pleasure at attaining the post. A middle-of-the-road Labour Party activist, he has risen fairly fast in the union, despite two years as a professional footballer with Sunderland, and has experienced national politics as a member of Labour's national executive.

He would like to be able to wield the power of the miners' leaders but has had his own influence clipped not only by his union's 24-man national executive but also by the ambitions of the NUR president, Dave Bowman, who was a member of the Communist Party until a few years before being elected to his present office.

Since taking over the NUR general secretaryship in February from Lord (Sidney) Greene—now elevated to the Boards of the Times Newspapers and Rio Tinto Zinc in addition to his old Bank of England directorship—Weighell has set out to show who is boss in his headquarters.

On the day he took over he banished about 40 old portrait photographs of the union's past leaders from his office and replaced them with one of his father, a Yorkshireman who helped found the NUR.

He issued fresh working instructions to all his head office staff changed the union's newspaper, and in recent days has even been helping to re-design the union's tie while handling the crisis.

He has sought all possible publicity for his union's 35 per cent. claim to such an extent that it has been difficult for his union to accept less, and he has generally projected himself as a new leader with a new style.

Such an approach was almost guaranteed to lead to a fall before long and this happened three weeks ago when his national executive showed him who in fact was boss and called a national strike which would have started to-morrow night.

Realities

It was Weighell's first brush with the realities of the power of the NUR executive and showed he had learned little from the slow cunning of his predecessor. It was also to turn out to be his first experience of having to argue for—and therefore be identified in the public eye as a firm believer in—a militant line which could stop the railway system. This problem is a serious one for union general secretaries, especially on the railways as Mr. Ray Buckton of the Locomen's union ASLEF has learned in the past.

It can lead to them and their families being the victims of cruel and often ill-based public abuse even though, as with Weighell three weeks ago, they may have opposed the idea of a strike.

No one may therefore thank Weighell for being the general secretary of the NUR whose strike call has done undoubted damage to foreign confidence in the British economy and there can also be criticisms of his tactics even though a settlement was reached.

But in his own terms he has at least achieved two things with his brinkmanship—he is now a nationally known figure and he has not made a bad start in ensuring that his arch rival, Buckton of ASLEF, is not regarded as the only important union voice on the railway scene.

NVT set to announce short-time working

BY PETER CARTWRIGHT, MIDLANDS CORRESPONDENT

PLANS FOR short-time working and possible redundancy at Norton Villiers Triumph's two motor-cycle factories in Birmingham and Coventry are expected to be disclosed next week.

NVT board members seemed to have come away from Thursday's meeting with Mr. Eric Varley, Industry Minister, profoundly dissatisfied with his appeal to all sections of the industry who were at the meeting not to make irrevocable decisions before he had had a chance to discuss the future of the industry with Cabinet colleagues.

Nearly a month ago NVT warned that the recession in the U.S. market to which about 70 per cent. of its "super bike" production is exported, was likely to force a decision about production and labour cutbacks after the holidays.

American demand is said by NVT to have fallen by 60 per cent. compared with this time last year. This is for all classes of machines, but the situation was not significantly different for big motor-cycles.

After Thursday's meeting Mr. Denis Poore, chairman and other members of the NVT Board immediately met the 20 or so stewards who had been in attendance and discussed future prospects at Birmingham and Wolverhampton. The talks will be continued next week.

"While Mr. Varley rightly said the future of the industry was a matter for urgency, what with waiting for a report by consultants, industrial holidays and the Parliamentary recess, events might take things out of our hands before September," an NVT spokesman said.

He recalled that NVT had lost £8m. and was continuing to lose at the rate of £2m. a year. This was attributed to the establishment of the Meriden motor-cycle co-operative near Coventry at a factory NVT had planned to close in September 1973 soon after it was formed. NVT and Meriden have each been supported by nearly £5m. of Government finance.

The situation in the industry is now considered so serious that Mr. Poore and the unions under the banner of the Confederation of Shipbuilding and Engineering Unions are calling for full nationalisation.

Meanwhile, in the four months it has been in existence the Meriden co-operative has doubled productivity compared with that under its previous owners.

It is producing Bonneville machines at an ex-works price of under £500. It is selling to NVT which is contracted to sell the Meriden output for the first two years while the co-operative has a chance to get on its feet.

Terry Dodsworth writes: In spite of the collapse of the market in the U.S. the U.K. sales surge in all categories of motor-cycles continued last month. Increases in sales have now been registered in every month of the year, in marked contrast with the private car market.

In the lower category machines, below 50cc, registrations were up by almost 11 per cent., from 8,490 in May last year to 9,390, last month, according to Department of the Environment figures.

Sales of bigger machines, however, went up by almost 70 per cent., from 9,390 last year to 15,807 last month.

This range of vehicles, of 50cc and over, includes all the super-bike categories (750cc and over) in which NVT concentrates its production. This has provided something of a cushion to the motor-cycle company after its troubles in the U.S.

Five-hour Cabinet talks at Chequers on inflation

BY RICHARD EVANS, LOBBY CORRESPONDENT

THE FULL Cabinet met in special session for five hours at Chequers yesterday to discuss the Government's medium-term economic strategy and to make contingency plans for curbing inflation if the talks between the CBI and the TUC break down.

All 24 Cabinet Ministers were present. According to 10 Downing Street, the meeting was one of a series to discuss the Government's forward programme, but there was no doubt that the economy was the main item on the agenda.

No immediate economic announcements are expected to flow from the meeting, which is believed to have been concerned primarily with deciding options open to Ministers if talks between both sides of industry fail to produce a viable voluntary wages policy that would cut inflation drastically.

One of the targets discussed was a proposal to slash inflation to 10 per cent. next year and to fix a limit on wage increases in the next pay round of £6 or £8 a week. But a decision to implement such a policy, and the methods to be used, will have to await the outcome of the CBI-TUC talks which continue next Tuesday.

Because of pressure on the pound and the rising trend in unemployment, Ministers now think the time left for effective action is extremely short. If next Tuesday's meeting makes worthwhile progress, CBI and TUC leaders will be encouraged to complete their discussions by the middle of July.

If the joint initiative comes to nothing there will be a major battle inside the Cabinet over whether tougher controls should involve a statutory incomes policy or at least one with more direct control over wages. It is understood that this point was not reached at yesterday's meeting.

Although a growing number of senior Ministers are swinging in favour of some form of statutory policy, two key members of the Cabinet have yet to be won over—Mr. Michael Foot, the Employment Secretary and the Prime Minister himself. They continue to place all their hopes on a more stringent version of the voluntary social contract.

West Germany to sell Brazil a complete nuclear package

BY DAVID FISHLOCK, SCIENCE EDITOR

THE WORLD'S first treaty in which one nation agrees to supply another with virtually a ready-made nuclear industry—a complete package of nuclear fuel services as well as reactors—is expected to be signed between West Germany and Brazil in Bonn on Thursday.

The treaty will conclude six months of negotiations after the U.S. Government's rejection of Brazilian overtures last year, because the U.S. was unwilling to supply Brazil with uranium enrichment and spent-fuel reprocessing technology.

Germany and Brazil are apparently undeterred by strenuous U.S. efforts to thwart the export of nuclear process technology potentially capable of giving Brazil access in the 1980s to two sources of nuclear explosive — enriched uranium and plutonium-239.

These efforts culminated in a two-day meeting of the major potential exporting countries for nuclear process technology, under the aegis of the Foreign Office, in London this week.

Some nations represented at this meeting, about which no details have been disclosed, agreed to attend only on condition that it was kept secret. The fact that it was not may have jeopardised the possibility of further meetings attempting to agree international conditions for the export of nuclear process technology.

For West Germany, one of the participants, the Brazilian deal will mean, first and foremost, export contracts estimated at upward of $4,000m. It is also understood that the treaty will guarantee Brazilian uranium supplies for the large German nuclear power programme, as a quid pro quo for German readiness to provide process technology.

Nozzle process

This implies that Germany is convinced Brazil has more uranium than the modest proven reserves disclosed in official figures.

But Germany has another incentive to defy opponents of nuclear exporting. It is that the Brazilian treaty affords an opportunity for a full-scale demonstration of a new enrichment technology that the Bonn Government has been backing as a "second string" to the gas centrifuge process, where it is in partnership with Britain and Holland.

This is the so-called "nozzle" process, more correctly named the stationary wall centrifuge, under development jointly by the Karlsruhe nuclear centre and an industrial group, STEAG.

Brazil has made no secret of its determination to acquire enrichment technology. It made very strong representations to ACE, the international club set up by the Anglo-German-Dutch centrifuge project, to explore ways in which this technology might be made available to other nations.

Although not a signatory to the Non-Proliferation Treaty (NPT), Brazil was finally admitted to ACE last summer, whereupon it received all the details released by the project to other members.

Weather

U.K. TO-DAY

GENERALLY DRY with long sunny spells. Very warm.

London, Cent. England, Midlands

Dry, sunny periods. Wind N.E., light. Max. 25C (77F).

E. and S.E. England, E. Anglia

Dry, sunny spells. Wind N.E., light or moderate. Max. 23C (73F).

Channel Islands

Mostly dry, sunny. Wind N.E., moderate. Max. 21C (70F).

S.W. Scotland, Wales, N.W. England, Lakes

Mostly dry, sunny spells. Wind N.E., light. Max. 23C (73F).

I. of Man, S.W. Scotland, Argyll, N. Ireland

Mostly dry, sunny periods. Wind E. light. Max. 20C (68F).

N.E. England, Borders, Moray Firth, Cent. Highlands, Edinburgh, Dundee, Aberdeen

Dry sunny spells. Wind N.E., light or moderate. Max. 21C (70F).

N.E. and N.W. Scotland, Orkney, Shetland

Dry, sunny spells. Wind variable, light. Max. 15C (59F).

OUTLOOK: Dry and sunny, warm in the west.

Lighting up: London 21.51, Manchester 22.12, Glasgow 22.36, Belfast 22.34.

Pollen count: 80, high. Forecast: higher.

BUSINESS CENTRES

	Y'day Mid-day	°C	°F		Y'day Mid-day	°C	°F
Amstrdm.	S	23	73	Madrid	S	[illegible]	[illegible]
Athens	F	24	75	Manchstr.	C	17	63
Bahrain	S	36	96	Melbourne	Sm	9	48
Barcelona	S	23	73	Milan	S	24	75
Beirut	S	27	81	Montreal	C	20	68
Belfast	S	18	64	Moscow	S	[illegible]	[illegible]
Belgrade	C	21	70	Munich	R	13	55
Berlin	F	24	75	Newcastle	C	19	66
Birmghm.	F	21	70	New York	C	26	80
Bristol	F	21	70	Oslo	S	22	72
Brussels	S	22	72	Paris	S	23	73
Budapest	C	23	73	Perth	S	18	64
B. Aires	S	21	70	Prague	C	19	66
Cairo	S	33	91	Reykjavik	C	9	48
Cardiff	S	21	70	Rio de J'o	S	25	77
Cologne	F	21	70	Rome	S	24	75
Copnhagn.	S	21	70	Singapore	S	31	88
Dublin	F	18	64	Stockholm	S	24	75
Edinb'rgh	F	18	64	Strasbourg	S	19	66
Frankfurt	F	21	70	Sydney	R	15	59
Geneva	S	17	63	Tehran	S	31	88
Glasgow	F	15	59	Tel Aviv	F	27	81
Helsinki	S	21	70	Tokyo	C	25	77
H. Kong	S	30	86	Toronto	S	21	70
Jo'burg	S	21	70	Vienna	C	16	61
Lisbon	S	22	72	Warsaw	S	23	73
London	S	21	70	Zurich	F	16	61
Luxembrg.	F	20	68				

HOLIDAY RESORTS

	Y'day Mid-day	°C	°F		Y'day Mid-day	°C	°F
Ajaccio	S	22	72	Istanbul	S	26	79
Algiers	S	25	77	Jersey	S	23	73
Biarritz	S	25	77	Locarno	F	19	66
Blackpool	C	15	59	Majorca	S	25	77
Bordeaux	S	24	75	Malaga	S	[illegible]	[illegible]
Boulogne	F	18	64	Malta	S	22	72
Casablnca.	S	22	72	Nairobi	C	22	72
Cape Tn.	R	19	66	Naples	F	24	75
Corfu	C	25	77	Nice	S	22	72
Dubrovnik	R	19	66	Nicosia	S	25	77
Faro	S	20	68	Oporto	C	16	61
Florence	S	26	79	Rhodes	F	26	79
Funchal	S	21	70	Salzburg	C	12	54
Gibraltar	S	24	75	Tangier	C	21	70
Guernsey	S	20	68	Tenerife	S	17	63
Innsbruck	C	14	57	Tunis	C	26	79
Inverness	F	18	64	Valencia	S	26	79
I. of Man	C	15	59	Venice	C	24	75

S—Sunny. F—Fair. C—Cloudy. R—Rain. Sm—Smoke.

Price curbs not the way, says CBI

BY PETER FOSTER

An indication that the CBI would strongly oppose any suggestion by the TUC of price controls in return for initiatives on wage restraint came last night from Mr. Campbell Adamson, the confederation's director-general.

Speaking in Bath, Mr. Adamson stressed that one of the key points that had to be got across at next Tuesday's anti-inflation talks between the CBI and the TUC was "that the quid pro quo for pay restraint in to-day's circumstances is not further price controls but jobs."

He went on to emphasise that however politically attractive it might be to match pay controls with price controls, the fact was that it would destroy any benefit that a pay policy might have on jobs.

The preliminary meeting between the CBI and the TUC last Wednesday to discuss whether any joint policy could be hammered out and placed before the Government trod lightly over the controversial issue of price control. However, this question is sure to be high on next Tuesday's agenda.

Mr. Adamson declared that the other key point which the CBI would attempt to put over at the talks was: "the apparent paradox that to accept a rate of pay settlement which is initially below the rate of inflation is the surest and indeed the only way of preserving living standards." This is the main point which the TUC itself is now proposing for the next wage round although some unions will oppose the idea.

Mr. Adamson said: "If we go into the next round of wage bargaining with settlements anywhere near present rates of inflation, the only possible effect will be fewer jobs, lower investment, increasing uncompetitiveness of British exports; and very soon measures by the Government such as cuts in social services and increased taxation, which will hit us all."

Chrysler faces threat of new car shutdown

By Peter Cartwright, Midlands Correspondent

WHETHER CHRYSLER has to halt all its U.K. car production again next week, before it has recovered from an earlier £50m. strike, depends on the outcome of a mass meeting of 360 workers at a subsidiary plastic components factory, next Tuesday.

The workers walked out at the end of the strike a fortnight ago, demanding payment for being laid off.

After a further six hours of negotiations last night, the two sides were nudged closer by the Advisory Conciliation and Arbitration Service, but the strike leaders are still trying to insist on payment. The company, and one of the main unions, have said they are not entitled to any.

The question of arbitration will be discussed by joint shop stewards on Monday and decided at a mass meeting the following day.

Bank of England's role in Haw Par takeover deal

BY MARGARET REID

TWO LEADING London merchant banks, Baring Brothers and J. Henry Schroder Wagg, have been brought in, with the Bank of England's open encouragement, to advise Haw Par Brothers International following the City Takeover Panel's call for it to bid for London Tin Corporation.

It was unprecedented for yesterday's announcement to have said, as it did, that the appointments had been made after consultation with the Bank of England. The Bank's involvement reflects the British authorities' strong concern that the Singapore-based Haw Par should be helped to comply with the Panel's ruling without damage to its existing plans to link with the Malaysian Government-controlled Pernas Securities.

Following the calling in of two top-level City advisers, intensive efforts are on the way to explore means of financing the £20m.-plus offer Haw Par is expected to make for the 49 per cent. minority shares of London Tin—the world's largest tin mining group.

The problem arose last month when plans were announced for Haw Par, already holding nearly 30 per cent. of London Tin, to take over from Pernas a portfolio of securities, including a further 20 per cent.-plus of London Tin.

Pernas, for its part, was to acquire a 39.7 per cent. stake in the enlarged Haw Par, which would thus take on a highly significant role as a company with strong British associations acting in close partnership with Malaysian Government-linked enterprise.

Because Haw Par would, under these transactions, raise its stake in London Tin above 30 per cent. to some 51 per cent., the City Takeover Panel's rules require that it should launch a general bid for the London Tin shares. The Takeover Panel has ruled that Haw Par and Pernas are jointly and severally responsible for mounting such an offer at 197 1-16p a share—a bid which Haw Par alone at present clearly lacks the resources to make.

The new advisers will now rapidly consider how, with the possible assistance of City institutions, the required bid can be financed. A rights issue by Haw Par, various forms of convertible loan stock issue and other methods, conceivably in association with another party, are likely to be courses reviewed.

Relatively quick progress is aimed at in solving the problem. Last night London Tin shares closed unchanged at 165p, some 32p below the required bid price.

Portugal's crisis of authority

By Jane Bergerol

LISBON, June 20.

THE EIGHT-DAY marathon of Portugal's Supreme Revolutionary Council is expected to end to-night with a decision to take a much closer control of Government policy on a day-to-day basis, but without any big reshuffle of the fourth coalition Government.

This attempt to resolve Portugal's crisis of authority must mean in practice that the Government will be increasingly confined to the task of executing Supreme Council decisions.

The Supreme Council itself will, it is understood, be represented for the purpose by a restricted political committee of its members who will meet daily to discuss Government business, in consultation with the parties.

The announcement of the decisions may not be made before to-morrow morning.

The Supreme Revolutionary Council is also expected to take steps to assert much closer control over Portugal's security forces (Copcon) which have been criticised for taking the law into their own hands and not executing orders handed down by the Supreme Council itself. The clearest case occurred this week over reopening of the newspaper Republica, when Copcon allowed workers to enter the newspaper office but barred the door to the management and editor.

The Supreme Revolutionary Council decisions are expected to be submitted to a general assembly of the Armed Forces Movement in the very near future.

Malcolm Rutherford writes: The Portuguese Foreign Minister, Major Melo Antunes, will visit London for talks with Mr. James Callaghan, the Foreign Secretary, next Friday.

Mr. Callaghan last saw members of the Portuguese leadership at the NATO summit meeting in May. Apart from bilateral relations and the relationship between Portugal and the EEC, he is anxious to hear more about the plans of the Government and the Armed Forces Movement for the future of the country.

THE LEX COLUMN

Legal and General follows Pru

With business slowing to a trickle in both equities and gilts the stock market has continued to wait for events to give it some kind of lead. It waited for the referendum, it has dithered ahead of the threatened rail strike, it will probably now hover uncertainly while the search continues for some kind of credible anti-inflationary economic package. Optimists reckon this must come within a few weeks, but market hawks tend to suggest any proposals might be largely a smokescreen, and anyway might be accompanied by tightened price controls (as in France) that could do equities a good deal of damage.

The rail settlement could give a psychological boost on Monday, but the inflationary implications will not be lost on the market either. At least equities are showing plenty of resistance around the 330 level on the FT 30-Share Index—the fall on the week is only 6.8 points.

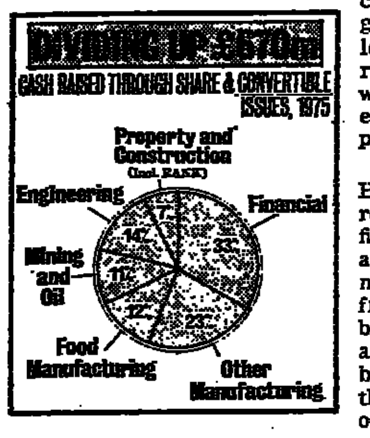
Index rose 5.2 to 333.8

Legal & General

Legal and General's rights issue—on a one-for-five basis at 103p to raise £23.8m.—highlights the narrowing of the gap between the traditional life companies and the composites, with groups like L and G and the Prudential inclining more towards the intermediate status of Eagle Star. And just as in the case of the Pru issue six weeks ago, L and G shareholders are being asked to finance the expansion — and more particularly the problems caused by inflation—of the general side, rather than the predominant life business. As the rights document points out, the growth in net assets—rising by 47 per cent. between 1969 and 1974—has been nowhere near sufficient to match the 241 per cent. increase in general premiums.

Profits from the non-life side have been growing in importance and last year accounted for 47 per cent. of the profits total before expenses and tax. L and G also points to the potential for expansion here—for example, in Europe.

The issue raises familiar arguments about solvency margins. However, L and G's margin—on 1974 premiums but with assets updated for the stock market rise—was higher before the issue than the Pru's, at 32 against 21 per cent. The issue nearly doubles the L and G margin up to about 60 per cent. on the assumption of a likely 30 per cent. rise in premium income this year. But, of course, the massive hidden value of L and G's life business cannot be taken into account. At least, L and G's shareholders are not having to pay for its acquisition for £45.1m. of Cavendish Land at the height of the property market in 1973—and now worth "quite dramatically" less: it is in the life fund.



Still, despite all the reservations about financing inflation, shareholders are offered the prospect of an increase in profits since rate rises in the U.K., for example, should ensure that general underwriting losses of £2.5m. last year are cut back to near break even. The forecast dividend is "not less" than the 1974 total for an ex-rights yield of 5.3 per cent., which is below the average for both the life and composite insurance sectors.

BL Loan stocks

The scheme of arrangement proposed for British Leyland is not the all-equity affair it may appear to the outsider. The company has something like £60m. in nominal Unsecured Loan stock outstanding, of which more than two-fifths is represented by the 7½ per cent. Convertible.

The scheme maintains the creditor status of the four conventional Loan stocks, and their market quotations will continue in the normal way. This also goes for the Convertible, and its conversion terms — though adjusted to fit in with the shares of the new company — remain effectively unaltered. This, of course, is all well and good, but a couple of questions are worth looking at.

For one, the stocks are all low coupon (8 per cent. at the top) and therefore cheap money from the Government's point of view. That tends to rule out the possibility of any early redemptions, or even a swap into a comparable gilt at anywhere near par; Treasury 7¾ per cent. 1985-88 matches the Convertible but yields more than seven points less to redemption at nearly 13 per cent. Secondly, until the earnings prospects at BL are made clear — and probably even when they are — the convertible's equity options are going to remain virtually worthless. The convertible is currently priced at £42 and its worth in terms of converted equity at 10p is just over £16 per £100 of stock.

Meantime, Mersey Docks and Harbour — whose own capital reconstruction trod on a lot of fixed interest toes despite the amendments of 1974 — has managed to reduce its losses from £2.7m. to £1.1m. for 1974 before grants. But land sales are allowing 2p in the pound to be paid out to the holders of the £20m. redeemable subordinated loan.

Haw Par

The Haw Par affair has now developed into a rather messy triangle, with the Takeover Panel in London calling on the group to bid for the 49 per cent. minority in London Tin while in Singapore, the Securities Industry Council has said that the Malaysian Government-controlled Pernas Securities must bid for the 60 per cent. of Haw Par it does not own. The news yesterday came from London where Barings and Schroder Wagg have been appointed to advise Haw Par after consultations with the Bank of England. Their problem is how to find the £20m.-plus which Haw Par needs to bid for London Tin, given that a straightforward rights issue to raise the cash is ruled out by Haw Par's status as a premium stock. One possible way might be to follow the method used by Sime Darby in 1973 when it took over Clive Holdings and formed a new company in London which issued convertible preferred Ordinary shares. Until converted, the shares were not subject to the premium.

Haw Par does have a similar London company and a small amount of non-premium stock which could possibly be used. However, the complications here and in Singapore explain why London Tin is still, at 165p, some 32p below the required bid price.

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